

12, 1935

The National Underwriter

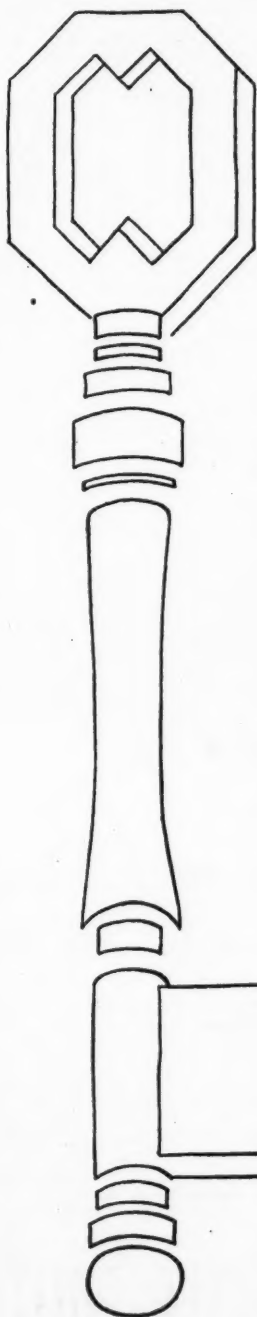
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An Accident Key THAT FITS MANY A DOOR

From a client who knows selling

"A Travelers man recently tried to sell me a Life Insurance policy. I told him a good friend of mine took care of my needs. I was agreeably surprised when he told me he admired my loyalty to my insurance adviser and hoped his clients would always feel the same way about him.

"Then he told me he sold Accident Insurance—did I have any? It was something my good friend did *not* sell.

"Now I play a good bit of golf and when your man told me how many times golfers suffer from accidents and cause them, I bought one of your Accident policies and a Golfers Liability policy. Your representative put this subject before me in a way I could understand and remember.

"Your representative was an able salesman but he also represented a Company which could furnish *any insurance protection*. I should think all insurance men would be glad to sell for a Company which has *an insurance policy for every need*."

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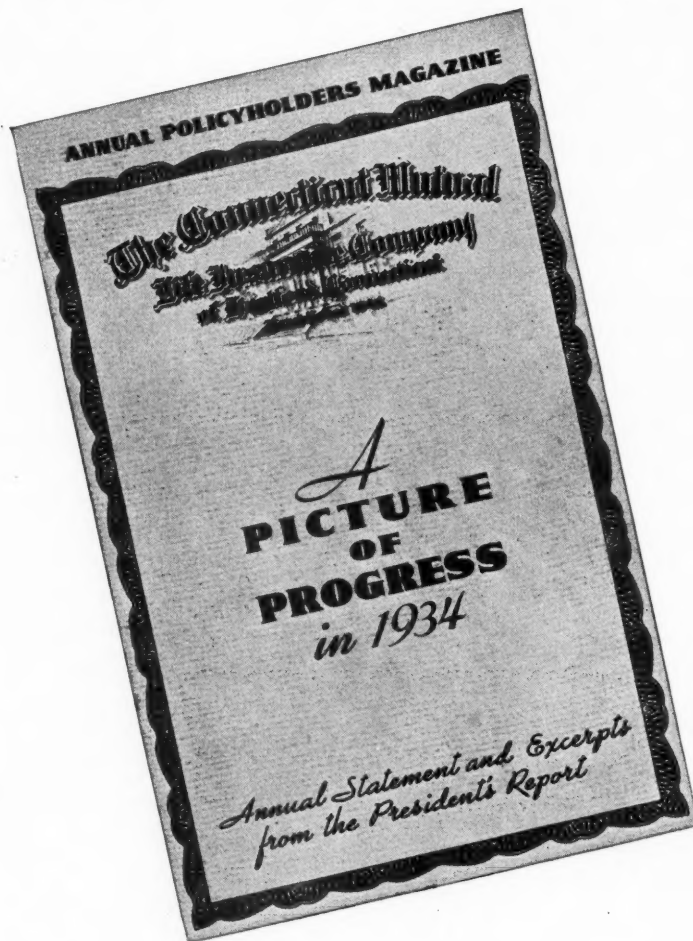
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The National Underwriter

LIFE INSURANCE EDITION

Thirty-Ninth Year—No. 16

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, APRIL 19, 1935

\$3.00 Per Year, 15 Cents a Copy

Paid-Up Option Is Growing in Favor

Smaller Companies Turn Away From Extended Insurance as Automatic Option

REVIEW VARIOUS PLANS

Bigger Companies Still Use Extended Provision—Paid-Up Has Advantage From Sales Viewpoint

NEW YORK, April 18.—Paid up insurance, rather than extended term, as the automatic option when no other has been elected, is reported growing in favor among small and medium-sized companies, a tendency which is in contrast to the earlier movement among companies generally to make extended term the automatic option.

A large majority of the bigger companies doing business in New York state make extended term the automatic option except when requested otherwise. Of the 29 companies operating here having more than \$100,000,000 in force each, 23 provide extended term as the automatic option. Five give paid up insurance to those lapsing and making no election, and one provides the automatic premium loan where no other provision is requested.

Situation in Massachusetts

The Massachusetts law used to provide that companies domiciled in that state had to make paid up insurance the automatic provision, but the statute now allows either provision to be automatic. The five companies providing paid-up insurance as the automatic option are all domiciled in the Bay State. However, of the 29 companies, two Massachusetts companies make other provisions, one specifying extended term and the other the automatic premium loan.

All companies with home offices in New York state provide that, while the automatic option will be extended term, the policyholder may elect cash or paid up insurance without deduction, if election is made within three months after default. As a result, if a policyholder of one of these companies lets his premium go by through inadvertence and dies during the three-month period, his family will have the insurance estate he planned for them. At the same time, if he does not die and finds he cannot carry the coverage, he has abundant time to make up his mind which option he prefers, if not extended term.

Others Have Three-Month Period

Some other-state companies operating here allow the three month period, while the rest allow either one or two months after default. Thirteen, or slightly less than half of the 29 companies, require the lapsing policyholder to make up his mind within a month if he desires any other option than the automatic one provided in his policy.

(CONTINUED ON LAST PAGE)

Name Temporary Receiver for American Life, Denver

WILBUR NEWTON APPOINTED

Federal Court Acts in Suit Brought By Two Wyoming Stockholders of Manhandled Company

DENVER, April 18.—Federal Judge Symes, in appointing a receiver for the American Life of Denver, characterized allegations made against the American Life as "shocking" and stated "it appears that the insurance commissioner has been conversant with the affairs of the company for nearly a year and permitted it to continue in operation."

Judge Symes appointed Wilbur Newton temporary receiver. The action was brought by two Wyoming stockholders. Newton was ordered to report to the court within 30 days.

Courtroom Is Crowded

At the hearing, the courtroom was packed with stockholders and state officials, among them Commissioner Cochran, who was named in the suit because it is alleged he refused to apply for appointment of a receiver when such action was demanded by the complaining stockholders. The American Life attorney gave a long explanation of the transaction by which the already indicted officers and former officials of the firm became owners. The attorney for the stockholders did not contend the company is insolvent but said his clients wanted a receivership so all assets of the company will not be wiped out.

Judge Symes stressed the fact that the state laws are inadequate and declared there is no way by which the state courts could take immediate possession. "The suit," he said, "makes very serious charges against the officers and the operation of the company. It is also charged that some of the securities are not only worthless but forged, and there is very little dispute as to the allegations."

Judge Symes made no disposition of the part of the suit which asks for a judgment of \$350,000 in favor of the company against certain officers and directors, and indicated that the matter would be turned over to the state courts if District Judge McDonough should elect to appoint a receiver.

Before the appointment of the receiver by the court, the directors had elected Rex Bixby general manager, R. W. Brown assistant to the general manager, and A. R. Seebass, R. W. Brown and Mr. Bixby to compose the executive committee.

PACIFIC STATES SITUATION

DENVER, April 18.—An attempt is now being made to fix the valuation of securities held by the Pacific States Life and determine the amount of liens that will be made on reserves. W. L. Vernon, who was president, has been appointed receiver, this being what is termed a conservation receivership. It has been reported that the liens will be at least 50 percent, with a possibility that they may be 70 percent. The case, in district court, has been continued

(CONTINUED ON LAST PAGE)

U. S. Old Age Pension Plan Dangers Viewed by Linton

HUGE TAX BURDEN INVOLVED

Provident Mutual President Gives Views Before Academy of Political Science

NEW YORK, April 18.—Dangers in connection with the government's old age pension program were outlined by President M. A. Linton of the Provident Mutual Life at a dinner meeting of the Academy of Political Science. The federal appropriation for the first year of less than \$50,000,000, he pointed out, gives no conception of the magnitude of the ultimate burden that will be entailed by the free pensions.

Although favoring adoption of the assistant plan, he declared that the country should be prepared within ten years for a total burden of some one billion dollars shared equally by the states and federal government, and that since the assistant plan is only part of the larger program of economic security sponsored by the administration, no single item of cost should be underestimated in arriving at the probable total tax burden that the country may have to bear.

Plan Out of Balance

As to the compulsory contributory plan, he noted that while the Secretary of the Treasury suggested increased contribution rates to offset a deficit of \$1,400,000,000 in 1980. The house ways and means committee, although adopting the higher contributions, boosted the pension payments, throwing the plan out of balance again.

Mr. Linton pointed out that the new table of figures is cut off at 1970, but that if it had been carried to 1980 the federal deficit would have been nearly as large as under the original plan, assuming the two plans to apply to the same classes of occupations, he said, because it is accompanied by a large increase in taxes.

Other Dangers Are Cited

Other danger points cited by Mr. Linton were that accumulation of billions of dollars in reserves will result in pressure for increased payments from voters to whom actuarial theory will mean nothing; political pressure to invest these funds back home in the state where the funds originated; temptation to a great spending orgy, or, in times of severe depression when new taxes are hard to levy, to use the accumulated funds for emergency purposes. He said this happened in France last year when 75 percent of the available resources of the old age fund were diverted from the next six years to a public works program for unemployment.

No Trustworthy Precedent

Old age pension plans in other countries have such relatively smaller reserve bases that they furnish no trustworthy precedent. He said it may turn out eventually that the only practicable solution is for each generation to cope with its own old age problem within the limits of its own economic ability.

Nashville to Draw Large Attendance

State Sales Congress, Mid-Year Meet of National Association Attractions

BIG TURNOUT EXPECTED

National Life & Accident Is Contributing Much to the Success of the Big Insurance Events

The mid-year meeting of the National Association of Life Underwriters in Nashville Saturday of next week to be preceded Friday by the annual sales congress of the Tennessee Association of Life Underwriters promises to attract an exceptionally large attendance. The National association has been particularly active since the annual meeting under President T. M. Riehle and there is widespread interest in his campaign to improve the field conditions. Many will attend out of interest to learn the progress that is being made, in collaboration with company executives, to better the opportunity of the agent who is seriously in the business, by eliminating the part timer and the unit.

A good many members of the association are planning to build a spring vacation trip around the Nashville meeting. It will be a magnificent time of the year in Nashville and many northerners who have endured a hard winter and are experiencing a belated spring, are planning to expose themselves to spring in the south. There will naturally be a large attendance from Tennessee since six of the local associations will be officially represented at the sales congress, they being Memphis, Jackson, Johnson City, Chattanooga, Knoxville and Nashville.

Witherspoon in Charge

John Witherspoon, general agent of the Pacific Mutual Life at Nashville and president of the Nashville association, is in general charge of the proceedings. The sessions will be held under the most pleasant conditions in the new auditorium-studio of the National Life & Accident of Nashville. This studio seats 575 comfortably and it is equipped with a movable blackboard at the very rear of the room. When this blackboard is moved into the side wall there is a moving picture screen which is served by a projector located at the opposite end of the room, near the radio control panel. It is customary for speakers who have important sales analysis to get over, to send to the National Life & Accident their graphic material which is transferred to slides for film sets. These are projected on the screen at the push of a button. Every speaker has the choice of using a lapel microphone which carries the voice through loud speakers to every section of the room.

The sales congress will be welcomed by a short address by C. A. Craig, chairman of the board of the National Life & Accident.

(CONTINUED ON PAGE 11)

Information Is Given As to Federal Tax Levied on Life Insurance

The "Estate and Tax News," put out by the Harris Trust & Savings Bank of Chicago, in discussing income taxation of life insurance paid in installments says:

"Several months ago the department of internal revenue announced a change in its interpretation and future application of the provisions of the federal income tax law relative to exemption of life insurance proceeds. The ruling, in effect, stated that henceforth only the principal sum or capital value of a life policy paid by reason of the death of the insured would be exempt from the income tax; that all amounts added to such principal sum by reason of the running of time, when paid in installments, would be taxable. At the time, however, the department did not disclose whether all such proceeds would be exempt until the beneficiary had received an amount equivalent to the capital value, thus rendering taxable all proceeds received thereafter; or whether a portion of each installment was to be regarded as part interest, and therefore taxable in the year received. This question is answered in accordance with the latter view by the new income tax regulations.

Provisions Covering Official Regulations

"The regulations state that 'the amount exempted is the amount payable had the insured or the beneficiary not elected to exercise an option to receive the proceeds of the policy or any part thereof at a later date or dates. If the policy provides no option for payment upon the death of the insured, or provides only for payments in installments, there is exempted only the amount which the insurance company would have paid immediately after the death of the insured had the policy not provided for payment at a later date or dates.' The manner of determining the portion of each installment to be included in the gross income of the beneficiary is then prescribed.

"Where the proceeds are held by the insurance company under an agreement

(with either the insured or the beneficiary) to pay interest, the amount paid to the beneficiary or credited to the fund each year must be returned as gross income. For example, if the company holds the proceeds of a policy under an agreement to distribute to the beneficiary the interest earned on the fund, the beneficiary is required to return as income all amounts received. On the other hand, if the agreement should call for distribution of all of the interest and whatever portion of principal that is required to make a fixed annual payment, then only the amount credited to the fund by the insurer need be returned as income.

Calculation of Installments Exempt from Tax

"Where the proceeds are payable in installments for a fixed number of years, or for life with payments guaranteed for a fixed number of years, the amount of each installment that is exempt from tax is to be determined by dividing the principal sum or capital value by the fixed number of years. Thus, if the beneficiary of a \$10,000 policy elects to receive \$600 a year for life, with twenty payments guaranteed, the amount exempt is equivalent to:

\$10,000 (principal sum)

20 (fixed number of years)

or \$500 per year exempt. In this case, then, \$100 of each annual payment of \$600 would be taxable.

Installment for Life Payments Explained

"When the proceeds are payable in installments for life, the amount that is taxable each year is determined in the same manner as where a fixed number of years is involved, except that the divisor is the life expectancy of the beneficiary as determined by the mortality table used by the particular insurance company, instead of the fixed period. Thus, in the above example, if the beneficiary was to receive \$600 a year for life (no fixed number of payments guaranteed), was aged 45 at the

time the payments began, and the insurance company based its calculations on the American experience table of mortality, the amount of each annual payment exempt from the income tax is:

\$10,000 (principal sum)

24.5 (life expectancy)

or \$408.11 per year exempt. Under these circumstances, then, \$194.84 of each annual installment of \$600 should be included in gross income.

"In any event, as soon as the aggregate of the amounts received and excluded from gross income equals the principal sum which would otherwise have been payable upon the death of the insured, the whole of each installment received thereafter must be included in gross income for the year in which received."

Explanation Is Given as to Figures Used

The article says as to the figures used: "The figures used here are merely assumed for purposes of illustration. It should be remembered that in practice, where a certain number of payments are guaranteed, the annual income which a given premium will purchase is somewhat less than in the case of a life annuity without any such provision. Thus one company, for a premium of \$10,000 where the annuitant is aged 45 at the time of purchase, will make annual payments of \$614 for life, and guarantee that the payments will continue to either the annuitant or the beneficiary until the full amount of the premium has been returned; but if the annuitant is not interested in whether or not he receives the return of his premium, it will pay \$658 for life, and all payments will cease upon the death of the annuitant."

In an earlier issue of the "Estate & Tax News," restrictions placed upon the exemption of life insurance proceeds by the new estate tax regulations were discussed. It was pointed out in the article that the commissioner's action in specifying that the "decendent possessed a legal incident of ownership if the rights of the beneficiaries to re-

ceive the proceeds are conditioned upon the beneficiaries surviving the insured" was contrary to a decision of the United States District Court of Kentucky (Ballard vs. Helburn, (1933)).

Two other cases have now been decided on this point. In one the commissioner was sustained and the other the decision was in favor of the taxpayer. The "Estate & Tax News" says:

Case Cited Where the Official Was Sustained

"In the case sustaining the commissioner, (Industrial Trust Co. and O. S. Green v. U. S., (Feb. 4, 1935) U. S. Ct. of Cl. No. 42514. Reported at ¶ 859 of Prentice-Hall Federal Tax Service (1935), the decedent, in 1892, had procured a policy of insurance on his own life. He paid all of the premiums, and in 1912, converted the original policy into a paid up policy. The policy provided that the proceeds should be paid at the death of the insured to his wife, if living, or if she should not be living, then payment should be made to his children, but in the event that both his wife and children should predecease him, the proceeds should be paid to his estate. The insured had not retained the right to change the beneficiary, nor did he possess any economic interest in the policy, other than the remote possibility of the payment of the proceeds to his estate. When the insured died in 1930, his wife had predeceased him, and the insurance was paid to his children.

"The court denied the contention of the taxpayer, that the rights of the beneficiaries were vested prior to the death of the insured, and stated that in its opinion, the cessation at the insured's death of the possibility that the proceeds might become payable to the estate of the insured was sufficient to render the proceeds subject to tax under the statute.

"In the case in favor of the taxpayer (Parker et al vs. Commissioner, 1934, 30 B. T. A. 342), the board of tax appeals, under a similar set of facts, found

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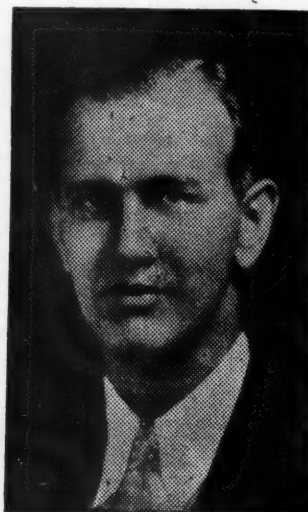
LEADERS IN THE ACTIVITIES NEXT WEEK IN NASHVILLE



C. A. CRAIG



T. M. RIEHLE



J. A. WITHERSPOON



A. W. LITZ

Nashville is to be host next week to several hundred life insurance people since the Tennessee sales congress and the mid-year meeting of the National Association of Life Underwriters are to

be held in that city on successive days. The National Life & Accident is contributing much to the success of the functions and C. A. Craig, chairman of that company, will deliver the address

of welcome to sales congress visitors. T. M. Riehle of New York will be the central figure since he is president of the national association. J. A. Witherspoon, Pacific Mutual, is

president of the Nashville Association and chairman of the sales congress program committee. A Walton Litz, Great Southern Life, is general chairman of the sales congress committee.

Time Saver for A. & H. Men Soon to Come From Press

DIGESTS SOME 1,000 POLICIES

Annual Compilation of Commercial Contracts, Company Data, etc., More Comprehensive

When the new Time Saver for accident and health insurance comes from the press this month, it will contain almost 1,000 commercial policies, according to advance notices from the publisher. This policy reference book not only gives all the provisions of each commercial accident and health contract for the 95 leading companies, but contains in addition rates for every contract for all ages. Moreover, it gives the limitations clauses in full for every policy in the book. Companies listed do about 90 percent of the commercial accident and health business in the United States. This book will be the 12th annual edition.

For the first time, this 1935 Time Saver will contain the contracts of the Lumbermen's Mutual, American Savings Life and Illinois Bankers' Life, along with policies of all the companies included in previous editions.

Compilation Cost Heavy

Thousands of dollars are spent to gather, analyze and compile this reference book for accident and health insurance men every year. Unusual care is exercised to make the information accurate. The result is a book that is almost indispensable to disability insurance salesmen.

In addition to the 850 pages of policy information the book also will contain a list of the companies writing non-cancellable accident and health insurance, financial statements of 160 accident and health companies and an outline of provisions of disability clauses of leading life insurance companies.

The Time Saver is indexed carefully, four separate indexes being used to enable the user to locate contracts and other information quickly. A special index of the companies gives names of officers, addresses, states in which the company is licensed to do business and information about the manual each company uses. Several pages of sales facts and disability statistics are included in the back part of the book. It is printed on Bible paper in convenient size, about the size of a manual, 4x6 inches. The book is published by the National Underwriter Company, 420 E. Fourth Street, Cincinnati, O. The book sells for \$4.

Council Refuses to Confirm DeCelles as Commissioner

The governor's council of Massachusetts, by a tie vote, failed last week to confirm the appointment by Governor Curley of Francis J. DeCelles as commissioner to succeed Merton L. Brown, whose term has expired. One councillor refused to vote, stating he wished to inquire into the qualifications of the governor's choice. The governor again placed Mr. DeCelles' name before the council at its meeting Wednesday and it went over for a week.

Prudential Managers Meet

The Prudential will hold its annual three-day managerial conference April 29-30-May 1, concluding with the annual banquet the evening of May 1 at the Hotel Commodore in New York City. The complete program will be announced in a few days.

Consolidated Life Chartered

The Consolidated Life of Nashville, capitalized at \$15,000, has been granted a charter in Tennessee.

State Department Frowns Upon the Hobbs Measure

NOT "GOOD NEIGHBOR" MOVE

Diplomatic Protest Against Bill as Well as Against HOLC Exclusion Was Made

WASHINGTON, April 18.—Little chance of enactment of the Hobbs bill barring the mails to companies in states to which they are not admitted is now seen, in view of the opposition understood to have been voiced by the State Department that the measure is not in conformity with President Roosevelt's "good neighbor" policy.

Representatives of the British companies who recently appealed to their ambassador in Washington for aid in securing a change of sentiment on the part of the Home Owners' Loan Corporation with respect to its new insurance plan, under which only American companies were to participate in its business, are said also to have protested the Hobbs bill.

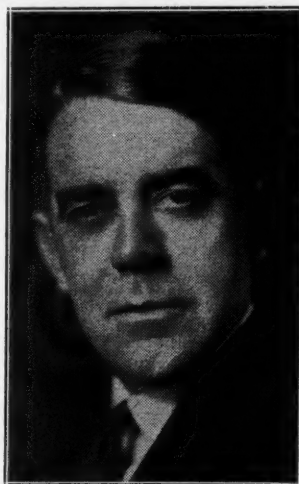
Ambassador Pays Visit

A visit by the ambassador to the State Department is understood to have resulted in suggestions to both the HOLC and the house committee on the post office.

Hearings on the Hobbs bill brought out a strong belief on the part of many that the states should take the initiative in revising their insurance laws so as to eliminate fraudulent concerns rather than attempt to pass the burden on to the federal government.

Members of the committee have been reluctant to comment on the situation, but it is indicated informally that not all of them are agreed that the bill is desirable. As written, it was said, it

New Commissioner



JOHN C. BLACKALL

John C. Blackall, who has been appointed insurance commissioner of Connecticut to succeed Col. H. P. Dunham, will take office July 1. His appointment has been confirmed.

would cause hardship upon many not engaged solely in the sale of insurance, and some doubt was expressed whether it could be amended satisfactorily.

Van Fleet Is Oil Prober

G. W. Van Fleet, formerly an official of the United of Chicago and identified with various other insurance interests in former years, has been named by Secretary of the Interior Ickes as head of a new supervisory organization to handle oil investigations in the east Texas field.

May Encourage Valuation on More Reasonable Basis

PLAN OF BLANKS COMMITTEE

To Consider Special Reserve Proposal on Common, Preferred Stocks at Meeting May 6

NEW YORK, April 18.—Companies owning common and preferred stocks will be encouraged to value these holdings on a more conservative basis than actual market values and, in times of normal and high stock market levels, to build up special reserve funds against possible future investment fluctuations, if a suggestion scheduled for discussion at the coming meeting of the blanks committee of the National Convention of Insurance Commissioners is put in effect. The meeting will be on May 6 at the Hotel Commodore, New York City. W. A. Robinson, actuary Ohio department, is chairman.

This would involve amending item 23a, page 4, of the life blank to read "market value of stocks over book value per schedule D, less \$— withheld for possible future investment fluctuations."

Other Changes Proposed

Other proposed changes are designed to bring out more detailed information about the handling of real estate and mortgages, and about disability losses. One suggestion is to separate farm and city mortgages. Another would add to schedule A, part I, a general interrogatory to read, "State amount of taxes, foreclosure costs, and past due and accrued interest capitalized by the company on real estate holdings in item 1, page 4, \$—."

The suggestion covering disability losses is that each company show the amount of insurance it has in force with disability benefits, subdivided as to waiver of premium only and income disability. This suggestion was made because of the wide difference among companies in the proportion of business on their books containing the income disability feature.

In order to prevent companies from showing loss on real estate as an adjustment in book value rather than as a loss through sales, it is suggested that in the item covering adjustment of book value, adjustments made during the current year on property acquired prior to the current year be excluded.

Nebraska Is Calling for Settlement Options Data

Insurance Director Moose of Nebraska is informing life companies that pursuant to an opinion of the attorney-general, he is withdrawing approval of and is disapproving all policy forms which do not contain tables showing how much, under the contract, the company will pay as installments or annuity payments. He has asked companies to report the form numbers of all policy forms, whose provisions are contrary to the opinion by Attorney-General Wright.

The attorney-general ruled that settlement options in life policies providing for payment of proceeds in installments or as an annuity must contain tables showing amounts to be paid. Omission of them is contrary to law.

Must Pay Second Premium

Experience having indicated that the practice helps to keep business on the books, the Security Mutual Life of Nebraska will hereafter allow dividends apportioned at the end of the first year to be used only toward paying any part of the second year's premium. In no case, however, will a dividend be allowed to be drawn in cash unless the full second year's premium is paid.

Not Too Proud

In Tulsa we have an excellently successful representative. Yet he is not content to stop effectualizing his salesmanship. In Tulsa we have, also, a superlative producer. The excellent producer, recently, ever alert to improve his ability, asked the superlative producer if he might accompany him throughout one of his busy days. His request was at once granted. The specific object was to see how the other's time was divided and used. The day began the evening before, when the demonstrator showed how he planned his next day's work. Then followed the day's interviewing. The laying out of movement from prospect to prospect, the time used in several types of approach, and the sharp swiftness of the closings was keenly observed. The listener drew lessons he immediately used to "touch up" his own methods, and at once signed cases which otherwise might have been lost.

Here was an able man, who was not too proud to learn from a still abler Agency comrade.

THE PENN MUTUAL LIFE INSURANCE CO.

WM. A. LAW, President

Independence Square

Philadelphia

Resume Hearings on Illinois Code

Battle Between Palmer and Doyle
Is Renewed at Springfield

MANY ISSUES INVOLVED

Casualty Companies Join More Vigorously in Urging Defeat of the Measure

SPRINGFIELD, ILL., April 18.—Hearings on the proposed Illinois insurance code were resumed here Tuesday evening before the house committee as a whole. The principal speakers were J. H. Doyle, general counsel of the National Board; A. V. Gruhn, general manager American Mutual Alliance, and Insurance Director Palmer.

Mr. Doyle contended the code gives extra territorial powers. He reiterated his objection to the investment section, to the requirement for examination of agents and the prohibition against reinsurance in nonadmitted companies.

Representative McClure suggested that the code go over until the next session of the legislature. This drew the fire of Mr. Palmer and Chairman Fitzgerald of the insurance code commission who said they had worked on the code more than a year and it was the best that could be drafted. Mr. Palmer criticised the National Board attack on the code as belated and intended to delay action.

The last open senate hearing will be Wednesday, April 24.

Mr. Doyle referred to Connecticut,

saying that its insurance laws were the least drastic of any state, and yet throughout the depression there has been no insurance failure or financial embarrassment of any company. He declared the Illinois insurance laws are not poor in the main.

Investment Section

He centered his fire on the investment section, and declared that no code can bring solvency to every company in the country. The present draft is full of individual theories, although the code is said to be a completed document drawn by experts.

Considerable resentment is being expressed by members of the house committee because the code was referred to the committee of the whole and this may have some effect on the outcome of the legislation.

George W. Kinney, Springfield attorney, who said he represented groups of fraternal policyholders, but not fraternal companies, engaged in an extended discussion of the differences between fraternal and legal reserve companies. He declared that the code would destroy the fraternal societies, and that section 261 should be entirely removed from the code. His contention was that the code wipes out the differences between the two basic types of life insurance. He puzzled the legislators with a long actuarial discourse relative to legal reserve and fraternal life insurance. Most of what he said was quite obviously not comprehended, although he did make it quite plain that his final desire was the complete removal of the sections of the code bearing upon fraternal life insurance.

AGREE ON 60 AMENDMENTS

Some 60 amendments have been agreed upon to the amended Illinois insurance code. Many are mere corrections of verbiage to smooth out the operations of the code or the companies affected.

A foreign or domestic company is admitted, under section 62, subsection (i),

if its investments are in accordance with the laws of its domicile, provided such investments are of the same general character permitted domestic companies and afford a degree of solvency equal to that imposed on domestic companies. This is a change from a requirement of "the same general character that domestic companies are permitted to hold."

By an amendment to section 64 the Travelers and Aetna Life are permitted to continue compensation and liability for five years, and for a second five years upon a showing at a hearing before the director that they have made reasonable progress in the discontinuance of such business.

Penalty Section Revised

Section 67, giving a penalty of 10 percent for vexatiously refusing to pay claims, is amended by adding after vexatiously, "and without reasonable cause." A new section is added, section 67a, authorizing the director to revoke the license of any company that has vexatiously and without reasonable cause refused to pay a claim.

Section 68 (c) is amended in regard to special assessment bonds so as to exclude them only when they are secured "only" by special assessment or local improvement.

Section 84 on salaries paid by companies is limited to life companies by amendment.

Provision on Advertising

The advertising provision, section 92, requiring the showing of liabilities with assets, is limited to newspaper, periodical or magazine advertising.

A pair of amendments to section 158 excepts raters, etc., and executive officers from the license provision. Life insurance renewals are excepted from the provision on commissions in section 160. Incorporated service representatives are provided for by a new paragraph in subsection (b) of section 166.

Permission to use industrial mortality

tables on industrial policies is given in an amendment to section 213.

Section 342 is struck out and an entirely new section substituted, on emergency funds and assessments of accident and health associations.

An amendment to section 346 accepts life policies from the standard provision requirements on accident and health.

Monthly Reserve Permitted

A monthly reserve on accident policies other than non-cancellable is permitted by an amendment to section 347. A funeral benefit of \$200 is permitted by an amendment to section 350.

A retaliatory provision is added to the code in a new section numbered 419½.

Section 420, on review of orders of the director, is entirely rewritten.

Credit for reinsurance premiums in unauthorized companies may be taken by licensed companies if they can show that the ceded reinsurance was obtainable in licensed companies. This is by amendment to section 75.

Casualty People Confer

The Chicago casualty people were called together for a meeting last week with Henry Swift Ives and Claude Fairchild of the Association of Casualty & Surety Executives for discussion of the code proposition. Previously the association at a meeting in New York had gone on record as being opposed to the code in its entirety, but many of the Chicago representatives were not in sympathy with their head offices and continued either personally to voice approval of the code or else took a neutral position.

The life companies have neither approved nor taken a position against it. They object particularly to the penalty section, the retaliation section and the section on misrepresentation.

Every industrial man should read *The Industrial Salesman*, published monthly by The National Underwriter, 420 E. Fourth Street, Cincinnati. Subscription \$1 a year.

FINANCIAL CONDITION OF

OCCIDENTAL LIFE INSURANCE COMPANY

LOS ANGELES, CALIFORNIA

JANUARY 1, 1935

ADMITTED ASSETS

U. S. Government Securities.....	\$ 1,437,475.25
State, Municipal and Corporation Bonds.....	5,077,006.29
Mortgage Loans on Real Estate, First Liens.....	3,131,447.36
Loans to Policyholders, Upon Security of Company's Policies*	2,905,672.15
Balance Due on Properties Sold Under Contract.....	3,899,795.45
Western Mutual Fund.....	2,240,012.38
Corporate Stocks.....	1,820,867.40
Cash in Office and Banks.....	517,551.35
Net Life Premiums Deferred and in Course of Collection....	859,957.89
Interest Due and Accrued.....	354,822.50
Other Admitted Assets.....	12,775.39

*Policy Loans were reduced during the year by \$2,376,788.39. The Company made a special effort to accomplish this reduction and because of the resultant benefit to policyholders, continued work of this nature will be carried on.

Total Admitted Assets\$22,257,383.41

LIABILITIES

Reserves on Life Policies Required by Law*..	\$16,752,020.78
Reserves on Accident Policies Required by Law.....	53,734.99
Western Mutual Fund.....	1,785,674.86
Life Premiums and Interest Paid in Advance..	544,197.02
Reserves for Federal, State and Other Taxes Hereafter Payable.....	85,308.31
All other Liabilities.....	156,969.27
Contingency Reserve for Investment Fluctuations.....	168,985.90

TOTAL LIABILITIES\$19,546,891.13

Capital Stock (Fully Paid).....	\$ 1,000,000.00
Surplus Assigned.....	615,116.06
Surplus Unassigned.....	1,095,376.22

Surplus as Regards Policyholders..... 2,710,492.28

\$22,257,383.41

TWENTY-FIVE YEARS OF PROGRESS IN FIVE-YEAR PERIODS

End of each Fifth Year	Admitted Assets	Premium Income Life Dept.	Premium Income Accident Dept.	Total Income Premiums and Investments	Life Insurance For Year	Life Insurance in Force
1909	\$ 437,366.24	\$ 157,740.57	\$ 88,375.01	\$ 269,576.53	\$ 2,125,744.74	\$ 4,056,924.07
1914	1,052,138.72	882,030.55	178,205.65	620,571.42	3,772,544.20	10,294,418.80
1919	2,449,941.89	887,461.02	260,527.45	1,273,588.84	10,938,798.22	28,136,293.78
1924	7,445,394.56	1,756,628.67	232,825.63	2,376,603.35	13,729,050.25	66,403,139.13
1929	21,221,562.85	4,445,350.78	273,456.89	6,153,155.31	30,682,835.72	150,652,756.13
1934	22,257,383.41	4,732,667.92	250,273.12	6,792,687.32	53,552,988.51	183,821,311.22

REPRODUCTION OF COVER DESIGN ON MARCH ISSUE OF "THE LIFE ETNA-IZER"



THE COUNTRY GIVES
ITS ACCOLADE TO
THE INSTITUTION OF
LIFE INSURANCE FOR
GREAT HUMAN SER-
VICE DURING YEARS
OF ECONOMIC UNREST



SELLING NEEDS

Life Insurance not primarily
because someone will die but
because someone will certainly
live.



With an increase of \$56,771,166.00 of Life Insurance in force during 1934, the Shield Company is enjoying the greatest progress in its history.

The **NATIONAL
LIFE AND
ACCIDENT**
Insurance Company Inc.



HOME OFFICE
NATIONAL BLDG.
NASHVILLE
TENNESSEE
• WSM •
50,000 WATTS

Home Life Officials Promoted



C. C. FULTON, JR.



LEIGH CRUESS

NEW YORK, April 18.—Several important official changes have been made by the Home Life of New York, following the annual directors meeting. Cecil C. Fulton, Jr., is named agency vice-president; Leigh Cruess, underwriting vice-president; William P. Worthington, superintendent of agencies; O. C. Lincoln, assistant actuary; and J. B. Neil, assistant financial secretary.

Mr. Fulton has spent his entire insurance career with the Home Life, starting in the field in the Newark agency and coming into the home office in 1930 as an assistant to the superintendent of agencies. In 1931, he was made superintendent of agencies and has now been elected vice-president in charge of agencies. He is a brother of President James A. Fulton.

Mr. Cruess, who becomes underwriting vice-president, has also spent his entire life insurance career with the Home Life. He was one of the organizers and secretary since its organization of the Home Office Life Underwriters Association. He joined the Home Life in 1919 in the actuarial department and in 1923 was appointed assistant actuary. In 1928 he was elected assistant secretary in charge of underwriting and last year was elected underwriting secretary.

Broad Experience

Mr. Worthington has had a broad life insurance experience in both field and home office, starting with the Continental American Life. He was manager of the home office agency of that company and later manager of its Philadelphia branch office. In 1933 he went with the Home Life as an assistant superintendent of agencies and now becomes superintendent of agencies. Since he has been with the Home Life, Mr. Worthington has been largely instrumental in the development of the present program of estate planning and client building which has been success-

fully established as a company plan for the field organization.

Mr. Lincoln has been with the Home Life for a number of years. As assistant actuary, he will assist W. J. Cameron, vice-president and actuary, in the general phases of actuarial work.

J. B. Neil, who becomes assistant financial secretary, has been with the company for a number of years, also coming through the actuarial department, devoting his time chiefly to the financial side of the business. He is assisting A. B. Cook, financial secretary.

W. G. Thompson and Daryl D. Johns have been appointed agency field assistants in the home office agency department of the Home Life of New York. The appointments are a part of the program designed to develop general agency material and to aid field men in client building and planned estate work. John Walsh and C. E. Fritsche were named last year.

Was With Engelsman

Mr. Thompson resigned as agency director of the Ralph G. Engelsman agency of the Penn Mutual Life in New York City to take the new post. He is a graduate of Lehigh University, New York University law school and the New York University life insurance course. He has been in life insurance for five years, all with Mr. Engelsman.

Mr. Johns has resigned as field supervisor of the Acacia Mutual Life to make the new connection. He has had considerable field experience. He is a graduate of Drake University, who started in life insurance on leaving school, going with the National Life of Iowa. He became assistant superintendent of agencies, and later was made home office field supervisor for the Central Life of Iowa. After three years he went to the Acacia Mutual as field supervisor assisting the agency vice-president.

Topics for U. S. Chamber of Commerce Meeting Listed

Insurance topics to be considered at the annual meeting of the United States Chamber of Commerce in Washington, April 29-May 2, include: "The Policyholder's Stake in American Business Stability," "Fire and Casualty Insurance from the Business Man's Point of View," and "The Future of Employers' Benefit Plans."

Bank Dividend Scale

The Massachusetts Savings Bank life insurance plan operates with a basic dividend scale. All the savings banks

now selling this insurance are paying 100 percent of the basic dividend scale of 1935 with the exception of four institutions. These are the Berkshire County Savings Bank, the City Savings Bank of Pittsfield, the North Adams Savings Bank and the Waltham Savings Bank. The three first named are paying 60 percent of the dividend scale and the Waltham Bank is paying 70 percent of the dividend scale.

E. L. Mallon to Head Office

E. L. Mallon, who has been supervisor in the Cleveland agency of the Provident Mutual Life, has been appointed to a position in the agency department at the head office.

LEGISLATIVE • DIGEST •

Nebraska—Governor Cochran has signed the bill designating the director of insurance as the legal representative of foreign insurance companies and to continue as such after they have dissolved or been merged, in order to retain jurisdiction in Nebraska for suits brought against them by residents of the state. Companies must pay \$2 for each process served upon the director.

The senate this week advanced to third reading a bill providing severe penalties ranging up to \$1,000 fine or two years in prison for making or circulating false statements about the condition of insurance companies. *** The senate bill doubling the amount of capital and surplus required of domestic life and accident companies and increasing the amount of and number of policies sold before license issues has been favorably recommended to the house by the committee on insurance.

New York—Senate passes bill providing for further publicity on expenses in operating life or casualty cooperative and assessment companies. *** Governor Lehman has signed the insurance department bill regarding mergers and consolidations. Life companies now come under the act and the insurance superintendent has complete supervision. Under the former law provision was made for merging or consolidating casualty companies but there was no mention of life or health and accident companies. The bill is sponsored by the insurance department.

Senate passes bill prohibiting discrimination in issuing life policies solely on account of applicants being wholly or part of African descent. The assembly previously passed a similar bill. *** A measure has been introduced in the senate amending the definition of group insurance to include coverage on members of war veterans' associations and their wives.

Florida—Bill referred to house insurance committee prohibiting newspapers to accept advertisements of any insurance matter not approved by insurance commissioner.

Oklahoma—Conference committee agrees to income tax rate of 6 percent on corporations including insurance companies.

Iowa—Legislature is scheduled to adjourn April 23.

Virginia—Legislative commission on revision and recodification of Virginia laws will make a tentative draft of its report and then hold a final public hearing. The commission is to report to the legislature next January.

Massachusetts—There has been a general cleaning up of threatening insurance measures. Among the bills killed are: probe of all insurance companies; election of insurance commissioner by the legislature, and for all insurance rating to be conducted under state control.

The senate has killed a bill which called for quadrupling the excise tax on life insurance. The committee on taxation had filed an unfavorable report on the measure.

Vermont—The house has passed a 1 percent tax on the assets of domestic life companies. The companies are now paying an annual tax of some \$16,500 and the proposed tax would increase the levy to some \$90,000.

Oregon—New law provides that charitable institutions can be named beneficiaries under life policies.

California—Life underwriters opposed inimical bills at a legislative hearing. The bills provide forfeiture of a company's license in the event it transfers an action to the federal court; taxes patterned after the Robertson law of Texas predicated upon the percentage of reserve invested in California assets, ranging from a tax of 2.6 percent for

investment of 75 percent or more of assets to a tax of 3.5 percent for investment of less than 30 percent of assets, making every statement made by an agent a part of the insurance contract. Another measure provides that if the policy has at any time a valuation in excess of the premium required to carry it to the next anniversary date, it must provide that the excess shall be added to the face amount of the policy. A state life fund and the requiring of loss reserve guaranty bonds are also sought.

As a result of mutual understanding reached between life underwriters and legislative committee of Insurance Brokers Exchange of San Francisco, assembly bills 1350 and 2296 to exempt general brokers from securing specific license to write life insurance, were withdrawn, according to advices from Sacramento. Representing life underwriters at Sacramento were W. R. Spinney, president San Francisco association, A. S. Holman, chairman business practice committee, and T. A. Gallagher, representing C. L. U. chapter.

Wisconsin—Several bills are being sponsored in the legislature by Commissioner H. J. Mortensen. Mutual benefit societies would be required to meet requirements equal to the death hazard computations of the fraternal congress. The state life fund would be permitted to write policies with or with-

out total or partial disability premium waivers. Companies not licensed in Wisconsin would be prevented from writing business in the state and delivery of policies by unlicensed companies through any method would be forbidden.

Action against the circulation of false statements in regard to insurance companies would be extended to include mutual benefit societies. Health and accident companies would be included among the companies prohibited from incurring expenses for maintaining their business of over 50 percent of their premium income, including investment expense, taxes and fees.

Another measure requires that no Wisconsin insurance company could loan or invest in any real estate in which any officer or director has a financial interest and officers and directors could not accept fees for services disposing of any real estate or making of investments.

Ohio—The insurance department has approved the repeal of the law which transferred the supervision of bond investment companies to the department of insurance from the state division of securities. It is charged that representatives of bond investment companies have represented that their securities are as safe as insurance and that they have the approval of the state division of insurance. In sup-

port of this claim they produce a certificate of authority issued by the insurance department. The bill transferring the supervision of bond investment companies to the state department of insurance was passed two years ago. The situation is one of much concern to life insurance companies.

Texas—Measure providing for stricter enforcement of insurance code by giving the insurance department authority to prosecute violations, is being backed by life associations. The bill provides for licensing of all agents with a \$1 annual fee.

Michigan—The only bill instigated by the insurance department at the current legislative has been passed and now awaits the governor's signature. It extends for two years the provision for issuance of preferred stock by companies in order to improve their financial standing during the continued stress of the times.

Colorado—Governor Johnson has signed the suicide bill, exempting companies from payment of double indemnity in case of suicide and making impossible collection on accident policies when death occurs from suicide.

Pennsylvania—The senate has passed a bill which gives guardians of minors the privilege to invest part of the income of minors in life insurance.



Organized 1880

DURING THE FIVE DEPRESSION YEARS

OUR INSURANCE IN FORCE increased 4⁷/₁₀% to \$191,973,147.00. During the same period all companies decreased over 5%.

ASSETS increased 38% to \$31,167,556.00. The increase in all companies was about 25%.

IN 1934

Dividends to policyholders increased 15% over 1933. Sales of "Bread and Butter" business (all lines except Group and Reinsurance) increased 28%. The Number of new policies purchased was up 38%.

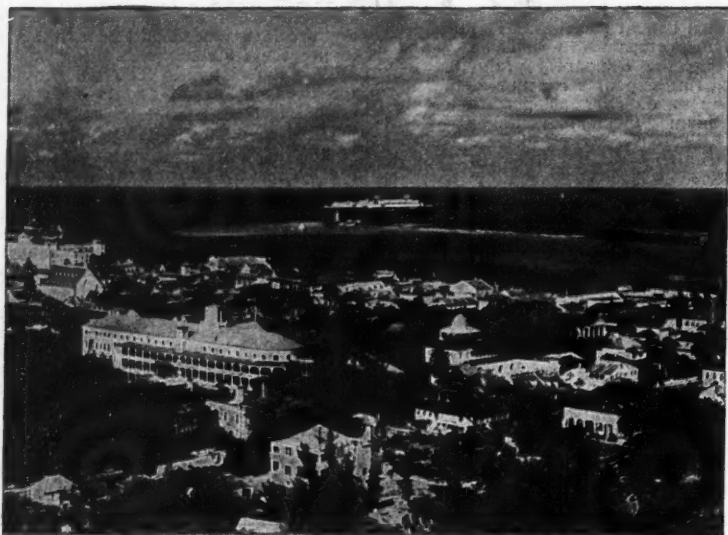
All this meant more commissions to the field—which has been supplied with effective Organized Sales Plans.

For details of a liberal General Agency Contract-write

HAROLD J. CUMMINGS, VICE PRESIDENT

THE MINNESOTA MUTUAL LIFE INSURANCE CO.
SAINT PAUL, MINNESOTA

T O THE SUNNY TROPICS



Overlooking the harbor at Nassau in the Bahamas

THAT'S WHERE N^WNL FIELDMEN WILL BE GOING NEXT MARCH

When the fickle March winds begin to blow in 1936, a party of N^WNL fieldmen and their wives will steam forth from New York harbor aboard an ocean liner bound for the isles of eternal sun where warm southern skies will take the place of chill wintry days. They will be gone a week or more on

A WEST INDIES AND CARIBBEAN CRUISE

as guests of the Company. It is expected that they will visit such inviting spots of interest as Nassau in the Bahamas, Port au Prince in Haiti, and Kingston, Jamaica. The occasion for this great trip, which will abound with new sights and new experiences for all, is

N^WNL'S SECOND HALF CENTURY CONVENTION

commemorating the close of the Company's first fifty years and the beginning of its second fifty. The convention will be held aboard ship, and every member of the agency organization is eligible to qualify for attendance. Arrangements also have been made whereby fieldmen who join the Company between now and the first of the year likewise will be given an opportunity to qualify for the cruise.

Since 1885

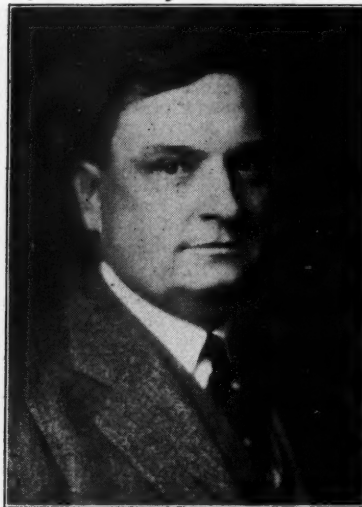


**NORTHWESTERN NATIONAL
LIFE INSURANCE COMPANY**

O. J. ARNDT, President

STRONG ~ Minneapolis, Minn. ~ LIBERAL

Presidents Are Candidates



LEE J. DOUGHERTY
Davenport, Ia.



S. F. CLABAUGH
Birmingham, Ala.

There are two life insurance presidents that are candidates for election as director of the United States Chamber of Commerce from their respective districts. L. J. Dougherty, president Guaranty Life of Davenport, Ia., has no opposition in district 6. He has served as director for some years. S. F. Clabaugh, president Protective Life of Birmingham, Ala., is a candidate from district 4. He has as an opponent T. D.

Bradson, president First National Bank of Greenville, Tenn. John C. Harding of Harding & Lininger of Chicago, manager of the western department of the Springfield Fire & Marine, has no opposition as candidate for insurance director. Elliott Wadsworth of Boston, who is a candidate for director of the foreign commerce department, is a member of the board of the John Hancock Mutual Life.

National Association Sends Bulletin on Insurance Week

NEW YORK, April 18.—The National Association of Life Underwriters has sent to member associations a bulletin with enclosures covering all the details of Life Insurance Week, May 13-18. The material includes advance specimen of the newspaper advertising copy to be used, suggested local advertising to supplement national advertising and for which mats will be supplied at cost; booklets entitled "How to Win Both Ways," which will be distributed only through home offices of contributing companies; posters in colors for window displays; samples of bulletin heads to circularize association's members; window display cards and suggestions for window displays; perforated gummed "stamps"; envelope stuffers, blotters and automobile windshield stickers.

The posters and much of the other material features the slogan, "The Sooner You Plan Your Future, the Better Your Future Will Be," and a man, pictured with his wife and baby, stating emphatically, "I Don't Carry Life Insurance—I Own It." Talks and speech material will be out in a few days, prizes of \$50, \$25 and \$10 will be awarded to the three most effective and constructive campaigns staged by local associations.

H. R. Smith Agency Gains

The H. R. Smith agency of the Jefferson Standard Life in Houston, Texas, in March had the best submitted volume in its 16-year history, partly the result of a contest in which the agency won over another agency of the company. The two leading producers of the Houston agency were less than \$1,000 apart. B. C. Merritt was first with 10 applications for \$55,153 and L. A. Spell second with 15 for \$54,431. The branch showed 57 percent increase in paid new premiums in 1934 and already has shown gain in force for the first quarter of \$250,000 or about 4 percent on the amount exposed. The branch has shown a gain in new paid-for business every year since Mr. Smith took charge in 1931.

Nebraska Ruling Is Issued on Reports for Taxation

Assistant Attorney-General Stubbs of Nebraska has approved a plan of Insurance Director Moose to prepare forms for returns by life companies which would keep separate figures on gross premiums and dividends used to purchase paid-up insurance so as to make it unnecessary to make deductions required by the Nebraska law.

Mr. Stubbs told the commissioner that dividends used for such purposes are taxable, and that from the gross premiums received dividends allowed and so used are not proper deductions. Neither should they be added to the gross premium figure for the reason that they are already included therein, and there is no warrant for taxing them twice. If, in making the report, these dividends have been actually added to the gross premiums, which seems to be the case, they must be deducted in order to reach the amount of taxable premiums.

National Aid Society Sold

A. C. Littlejohn of Springfield, Ill., who operates a number of companies and associations with headquarters there, but incorporated in other states and not doing business in Illinois, has sold one of them, the National Aid Society, to a Louisiana group headed by Dudley J. LeBlanc, who will move it to LaFayette, La. It is an Indiana corporation.

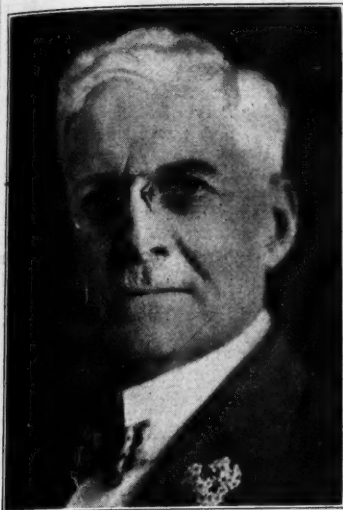
Littlejohn will continue the American Benefit Life and other concerns with which he is associated. If the proposed Illinois insurance code should be adopted, they would be brought under the jurisdiction of the Illinois department.

Ohio National Names Two

A. J. Ullman has been appointed general agent of the Ohio National Life at Dubuque, Ia., with supervision of 13 counties.

Artie Hodges has been appointed general agent of the Ohio National with headquarters at Livingston, Tenn.

Veteran Chicago General Agent Dies in Florida



JULES GIRARDIN

Jules Girardin, former general agent in Chicago for the Phoenix Mutual Life, who was connected with that company 45 years, died of a heart attack in Miami where he was passing the winter. He would have been 80 June 6 of this year. Burial is in Miami Friday of this week. Mr. Girardin became general agent in Chicago in 1890. Formerly he was connected with a fire insurance general agency at Galveston. He also spent two or three years as an insurance broker in New York. Although he had the title of general agent at the time of his death he retired 18 years ago as actual general agent. He continued until the end in personal production. He served for two terms as president of the Chicago Life Underwriters Association.

Terms in Disability and Annuity Data Explained

NEW YORK, April 18.—Some uncertainty has been expressed as to the exact meaning of the heading "Net Change in Surplus Charged to Disability," and "Net Change in Surplus Charged to Annuities," in the tabulation of experience on disability, double indemnity and annuities published in the March 15 issue of THE NATIONAL UNDERWRITER.

Roughly, "net change in surplus" is about the same thing as "net gain or loss" except that the latter figure takes no account of expense loading. Also some, but not all, of the companies which have a lower dividend scale for policyholders whose contracts contain the income disability provision credit this dividend saving directly to disability in the exhibit of income and outgo by classes. Other companies paying lower dividends on policies containing income disability do not allocate the credit specifically to disability, in which case the "net change" figure would be considerably closer to the "net gain or loss" figure.

Applies to Annuities

One subscriber expresses interest in the gain and loss figures on annuities. With the exception of the reference to dividends, the foregoing explanation about disability applies to annuities. However, the annual statement "gain or loss" figure on annuities applies to mortality only. If the gain or loss from interest and from loading were lumped in with the life insurance reserves, it would take considerable computation to work them out.

However, when costs are accurately allocated among the various divisions, such as insurance, annuities, disability, etc., the "net change in surplus" figure

Broker Sues for Receiver for Federal Reserve Life

SECURITIES ARE CRITICISED

President Green and Other Officers Refute Charges; Hearing Scheduled for April 22

KANSAS CITY, KAN., April 18.—W. W. Holloway, bond broker, filed suit in federal court here alleging that the Federal Reserve Life is insolvent and asking appointment of receiver. Judge J. C. Pollock made the order returnable April 22. Holloway holds \$15,000 insurance and 39 shares of stock in the company. He alleges the company has \$8,000,000 assets, some of doubtful value, and \$40,000,000 insurance in force. He charges that B. F. Bushman, late president of the Federal Reserve, while president entered into agreement with the Security Mortgage Company of Detroit, owned by himself and his father, F. E. Bushman, whereby the Federal Reserve build itself to purchase from the Security Mortgage \$1,500,000 securities annually.

Irons Makes Statement

Warren Irons, secretary Federal Reserve, states the company drew this contract in 1928 when Massey Wilson was president and the contract was for \$1,750,000 over a seven-year period. Holloway alleges the mortgages secured from the Detroit company are on properties chiefly in southeast Missouri of wholly inadequate value. Irons states that all the company's mortgages in Missouri will not total \$50,000, all on small properties.

He said all securities purchased from the Security Mortgage were on Detroit properties which the company has had appraised within the last six months by outside appraisers recognized by insurance departments, and total appraised value exceeds the investment by approximately \$100,000.

While not charging the company with failure to pay death claims or that all its securities are valueless, Holloway claims the company has large number of uncompleted requests for loans and surrenders which are not being met. Irons states a check is written for every surrender and loan application and is in the mail on the day following receipt of application. This schedule has been followed religiously by the company since the moratorium, he says.

That nothing is the matter with the company will be shown in court, states President Alex C. Green. The company is in better financial condition than ever before in its history, Treasurer J. H. Sandell states.

General Agent Is "Stuck"

A general agent who advances money to a producer, the repayment to be made out of gross premiums, does not impose upon the agent any obligation to repay the advances otherwise than out of those premiums, the Wisconsin supreme court has held in Larson vs. Watzke et al.

Larson agreed to advance \$200 monthly to L. Watzke. Larson advanced \$800 to Watzke and alleged that the agent neglected to pay him \$26.97 which he had collected on policies and refused to pay the balance of \$790.49.

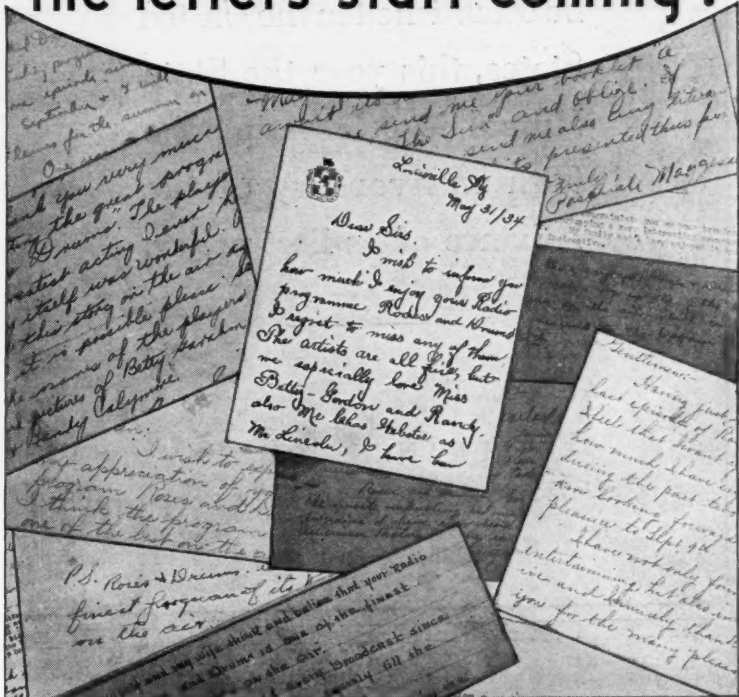
The Wisconsin supreme court held that Larson was entitled to apply on the advances the money secured by Watzke on policies which he wrote. However, Watzke is not liable for the balance since the contract for repayment of advances excluded any possible implication that there was to be any obligation to repay the advances otherwise than out of the premiums collected.

is more reliable as a guide than the net gain or loss as shown on the preceding page of the annual statement.



Every Sunday Night

the letters start coming!



THOUSANDS of letters have come from listeners to the Sunday afternoon broadcasts of "Roses and Drums." Letters praising the dramatic interest of the show, letters commenting on its historical accuracy, letters thanking The Union Central Life for broadcasting such worth-while radio entertainment.

Not all of these letters come from private individuals. Many of them are from parent-teachers associations, many from radio editors of newspapers—people who are authorities on good radio entertainment and who have no partisan interest in the popularity of "Roses and Drums." Unanimously they hail the show as one of the best on the air.

But to Union Central's field representatives the most important point is this:

"Roses and Drums" is keyed to hold the interest of serious-thinking, substantial people—the kind of people who make good insurance prospects. Every Sunday afternoon hundreds of thousands of family-conscious fathers tune in "Roses and Drums"—and listen with interest to Daniel Stark's talk on insurance problems between the acts.

And these fathers write letters to The Union Central Life, asking for further information on policies that Daniel Stark has described. *Hundreds of direct leads—every week!* These leads cut down selling time for Union Central men, help them to get more interviews, close more cases.

The UNION CENTRAL Life Insurance Company

CINCINNATI

A POLICY ANNIVERSARY

One of the five original life insurance companies to be established in the United States, this year the State Mutual is celebrating the 90th anniversary of the issuance of its first policy.

STATE MUTUAL LIFE ASSURANCE COMPANY WORCESTER - - - MASSACHUSETTS

Incorporated 1844

"Salary Continuance to Age 65"
A new policy to serve the
LIFE-TIME needs of your clients.

Features of this policy:

Maximum coverage at minimum cost.
A definite plan to protect and replace income.
Cost is same at all ages.
Non-medical conversion privileges until age 55.
Minimum income guaranteed.

"Salary Continuance to Age 65" is a new policy to provide a monthly income to dependents in event of premature death of the insured. Income begins at death and continues until insured would have been 65 years of age.

For full particulars regarding submission of business on this plan, return coupon below.

The
Federal Reserve
Life Insurance
Company
KANSAS CITY, KANSAS

I am interested in learning more about your new Salary Continuance Policy.

Name

Street

City

March Life Sales Drop Off 2.4%, Quarter Ahead

March life insurance production showed a decline of 2.4 percent, according to the Life Presidents Association. The report bears out the experience of a number of general agents and managers who have noted a slowing up of sales. Business for the first quarter, however, is ahead 10.1 percent, with a total of \$2,312,992 for the 42 Life Presidents companies having 83 percent of the total insurance in force. Ordinary business for the quarter totaled \$1,594,112,000, a 15 percent increase; industrial, \$640,533,000, 3 percent increase, and \$78,347,000 group, a decrease of 15.6 percent.

March new business for all classes totaled \$768,491,000, compared to \$787,628,000 in March, 1934. New ordinary in March totaled \$502,619,000, a 4.5 percent decrease from \$526,280,000 total in March, 1934. Industrial in March amounted to \$235,261,000, an increase of 3.1 percent, and group with a total of \$30,611,000 decreased 7.9 percent.

Life insurance sales by months for the last two years follow:

ORDINARY (Last 000 omitted)			
Month	1934	1935	Pct. Inc.
January	\$ 435,676	\$ 601,300	38.0
February	424,395	490,193	15.5
March	502,619	526,280	4.5
3 mos.	\$1,594,112	\$1,386,351	15.0
INDUSTRIAL			
January	\$ 197,108	\$ 196,255	0.4
February	196,816	209,017	6.2
March	235,261	228,107	3.1
3 mos.	\$ 640,533	\$ 622,031	3.0
GROUP			
January	\$ 32,673	\$ 27,348	16.3
February	26,862	20,388	24.1
March	30,611	33,241	7.9
3 mos.	\$ 78,347	\$ 92,776	15.6
TOTAL			
January	\$ 665,457	\$ 824,903	24.0
February	648,073	719,598	11.0
March	768,491	787,628	2.4
3 mos.	\$2,312,992	\$2,101,158	10.1

Lehman with Fidelity Mutual

Ellis J. Lehman, well known in life insurance circles of Greater New York, has been appointed as manager in Brooklyn by the Fidelity Mutual Life. His offices will be at 16 Court street, Brooklyn. He entered the general insurance business in Brooklyn in 1913 and in 1919 became an agent for the Connecticut Mutual with which he was connected for 10 years. In 1929 Mr. Lehman became brokerage supervisor in the Sackerman & Lewis agency of the Massachusetts Mutual in Brooklyn.

Thousand Week Man

O. R. Carter, inspector of agencies in the midwest department of the New York Life, reports some outstanding consecutive weekly production records.

D. J. Hooley, Rochelle, Ill., has produced one or more applications each week for 1,030 weeks; M. J. Cosover, Waukegan, Ill., 752 weeks; J. M. McGowan, Amboy, Ill., 661; C. E. Robbins, Elgin, Ill., 592; P. F. Jackson, Rockford, Ill., 482; W. B. Rankin, Joliet, Ill., 466.

Berridge Has Many "Firsts"

T. S. Berridge of Gallipolis, O., has more first honors to his credit than any other agent of the Columbus Mutual Life. On April 1 he was at the head of the list of producers for the agency year and also for the month of March. He also was at the head of the App-a-Week Club with 200 weeks to his credit and also at the head of the President's Own Club with 64 months to his credit. He had more applications during March and during the agency year than any other agent.

Wade Resigns as Michigan Deputy to Go with Company

LANSING, MICH., April 18.—Ralph M. Wade, second deputy commissioner of the Michigan department for 11 years and an employee for nearly 13 years, has resigned. He will leave the office about May 1 to assume new duties as comptroller of the Michigan Mutual Liability of Detroit.

Mr. Wade was with the Agricultural Life of Bay City for three years before coming to the department. His early department experience included heading the licensing division and serving as assistant actuary. After his appointment as deputy by the late L. T. Hand, then commissioner, he handled a wide variety of supervisory work and also participated in a number of examinations, many of a conference nature. His competency in the position was attested by his successive reappointments by succeeding commissioners.

No successor has been announced by Commissioner Ketcham. Some weeks ago a delegation from the Michigan State Life Underwriters Association visited Gov. Frank D. Fitzgerald in an effort to gain his support for a proposal to place a life insurance man in the position and to "departmentalize" the department. Whether this proposal is being given favorable consideration has not been revealed. Joseph E. Reault, present actuary and chief examiner of the department, has been mentioned for possible advancement to the deputy position.

The department held a farewell party for Mr. Wade, whose nature was a complete surprise. Commissioner Ketcham and former Commissioner C. E. Gauss told of Mr. Wade's fine service.

RECORDS

Lincoln National Life—31 percent gain in paid business for first quarter. March shows 15th consecutive monthly gain. The rise in business, according to President Arthur F. Hall, "is largely accounted for by an increased demand for retirement and protection plans and salary continuation insurance. It reflects a strong desire on the part of the public for a safeguard of personal income."

Yeomen Mutual Life—52 percent gain in insurance written during first quarter. Business in March increased 75 percent.

Midwest Life, Neb.—New paid business shows 17 percent increase for first quarter.

Great American Life, Texas—Increase in paid business in March of 67½ percent over January and February. Greater renewal premium volume than in any month of 1934.

A. E. Gravengard, Los Angeles, Bankers Life, Ia.—First quarter increase of 30 percent in new paid business. Large March increase due to the contest in honor of W. F. Winterble, superintendent of agencies, who visited the agency. It was the best month in two years.

Walter T. Shepard, Los Angeles, Lincoln National Life—Third among company's leaders in March and second for quarter, with 10 percent increase in paid business for quarter.

W. G. Gastil, Los Angeles, Connecticut General Life—First quarter paid gain of 365 percent; 306 percent gain in applications, and 373 percent in premiums. March volume ahead \$301,000.

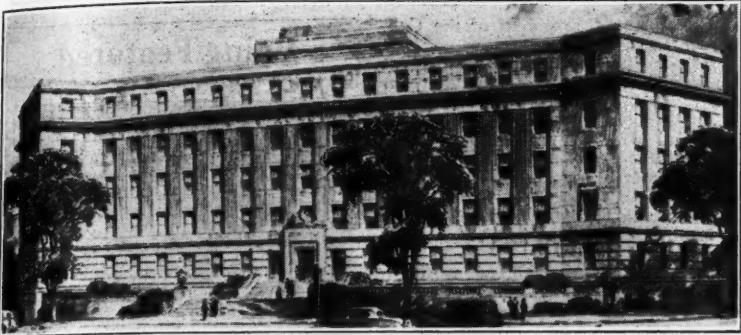
W. M. Hammond, Los Angeles, Aetna Life—First quarter production 50 percent ahead in new premium income, exclusive of annuities.

Texas, Lincoln National Life—San Antonio agency has increase of 32 percent in paid business for first quarter. Amarillo agency had 57 percent paid increase.

B. A. Wiedermann, San Antonio, Tex., Union Central Life—\$400,000 production in March. Fifth among company agencies in paid business. Fay W. Clubb of agency was leading producer of company in March.

Sam Pearson, Kansas City, Mo., Northwestern Mutual—270 percent increase for first 12 days of April.

Acacia's New Home Office



Work will begin immediately on the new home office building of the Acacia Mutual Life in Washington, the first unit to be completed not later than July, 1936.

When the square bounded by Louisiana and New Jersey avenues, First and D streets was purchased some years ago, plans were laid for its eventual use as a home office site. The sale of the former home office building to the government in 1934 opened the way for the program.

The plans call for a first unit six stories constructed so that it can be later extended to occupy the entire block. It will face the Capitol. The exterior will be finished in marble, in keeping with

the government buildings in its immediate vicinity.

The lobby will be two floors high. Departments having to do with the public will be located on the first floor. Club rooms for visiting policyholders will be found on the third floor. There will be practically no partitions, each floor having an open working space the full length of the building on either side of the center elevators.

A cafeteria with auditorium above seating 800 will be housed in a separate two-story building connected to the main unit, with an outside entrance.

The buildings will be air conditioned and sound proofed and will be modern in every way.

Nashville to Draw Large Attendance

(CONTINUED FROM PAGE 1)

Accident. The program of the day will then get under way.

Of unusual interest will be two skits which will be staged with sound from the National Life & Accident radio station, WSM, depicting how life insurance was written in 1910. This will be heard with sound effects of horse and buggy arriving in front of the prospect's home—all in authentic dress. Following this, the scenes are changed to make way for the 1935 salesmanship skit, which will be demonstrated by agents of Nashville taking active part, "Lasses and Honey," the well known minstrel pair of WSM, will entertain with their version of life insurance.

Speakers to Go on Air

The convention will be luncheon guests of the company and arrangements have been made for the Fisk Jubilee Singers to sing at this luncheon. In the afternoon the session will be completed and will be followed by sight-seeing tour and general entertainment in southern fashion.

Undoubtedly a number of prominent speakers on the program will be put on the air over WSM.

The entertainment staff of WSM has been put at the disposal of the convention executives.

Sales Congress Program

Following the address of welcome at the sales congress there will be a response by Mr. Riehle. Then will come the introduction of guests and this will be followed by an address on "Estate Creation" by Paul F. Clark, home office general agent for the John Hancock Mutual Life, and a past president of the National association. The playlet "Work Habit" will be staged by the WSM staff.

The final address of the morning will be given by Holgar J. Johnson, general agent of the Penn Mutual in Pittsburgh, whose subject is: "I Am Not Interested Because."

In the afternoon there will be an address, "The Missing Link," by C. O. Fischer, general agent for the Massachusetts Mutual in St. Louis. The final address will be by Carroll C. Day, gen-

eral agent for the Pacific Mutual Life at Oklahoma City, on "Philosophy of Living."

A. Walton Litz, manager of the Great Southern Life, is serving as general chairman of the sales congress while President Witherspoon is chairman of the program committee.

L. L. Baker of Knoxville is president of the Tennessee Life Underwriters Association, the vice-presidents being Lamar Brightwell and E. E. McDonald of Chattanooga. Miss N. J. Roche of Nashville is secretary.

Chairman of the finance committee for the sales congress is B. B. Horner; attendance committee, W. H. Browder; registration, Miss Roche; publicity, W. C. Pollard; entertainment, G. C. Woods; golf, Jimmie Tupper, and transportation, W. R. Morrison.

New Des Moines Company

The George Washington Mutual Life is being organized in Des Moines on a legal reserve basis. It has not yet made its deposit with the insurance department but has \$25,000 ready to put up, according to President G. A. Miller. The company must have 250 applications to qualify.

None of the officers have had insurance experience except two, President Miller and Denmar Miller, assistant secretary and assistant counsel. They have had insurance legal experience.

G. F. Hull and Dr. A. E. Shaw, vice-presidents, are respectively a chiropractor and a doctor of medicine. J. H. Swan, vice-president, is a Valley Junction newspaperman. Lawrence De Graff, secretary, and Roscoe Riemen-schneider, treasurer, are accountants.

By the profit-sharing proposal, the sponsors of the insurance company merely mean participation in dividends.

The home offices will be in the Youngerman building. Articles of incorporation have been issued by the secretary of state.

Change Convention Plans

The Philadelphia Life has changed the plans for its annual convention to be held the latter part of August. Instead of the original plans for a trip to Bermuda, the agents will take a triangular cruise from New York to Bermuda to Halifax and back to New York.

Stability



A watchword that has brought 87 years of progress to the CANADA LIFE

87 years of ever changing conditions, times of prosperity and times of adversity, have tested and proven the stability of the Canada Life.

During the five years of the depression the Canada Life has disbursed more than \$131,500,000 under contracts issued to policyholders and annuitants, an amount greater than half its present assets.

During this same period the company has been further strengthened by an increase in assets of over \$68,000,000 and the total assets for the protection of policyholders now exceed \$242,000,000. The recent dislocation of world affairs, however, is but one of twelve major depressions through which the Canada Life has steadily progressed.

Stability in a life insurance company is mainly dependent on three factors:

- Safety and Diversification of Assets
- Wise Selection of Risks
- Competent Business Management

The application of these principles throughout the long history of the Canada Life has resulted in a very strong financial structure.

The diversification and distribution of its assets contribute in great measure to the stability of the Canada Life.

DIVERSIFICATION OF ASSETS (As at Dec. 31, 1934)

	% of total ledger assets
Cash, Government and Municipal Bonds (Canada, United States and Great Britain)	36.54
Other Government Bonds	.38
Public Utility Bonds	12.97
Railroad Bonds	.95
Other Corporation Bonds	3.50
Preferred Stocks	1.78
Stocks of Canadian Banks and Trust Companies	1.34
Other Common Stocks	.17
Mortgages	22.80
Policy Loans	14.15
Real Estate (including Company's Buildings)	5.42
	100.00

Canada Life

Assurance Company Established 1847

Aggressively Developing State of Illinois Offering Unusual Agency Opportunities

Liberal First Year Commission and Non-forfeitable
Renewal Commissions

Assistance in the Field Home Office Co-operation

GLOBE LIFE INSURANCE CO. OF ILLINOIS

WM. J. ALEXANDER, President

An Old Line Legal Reserve Company—Established 1895

40 Years of Continuous Faithful Service
to Policyholders

Writing Complete Line of Modern Policies with
All Standard Provisions
Ages (0-60)

Double Indemnity — Disability — Non-Medical
Modern Juvenile Contracts Full Benefits Age 5

WRITE US TODAY FOR PARTICULARS

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Chicago, Illinois

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E. J. WOHLGEMUTH, President
HOWARD J. BURRIDGE, Vice-Pres.-Gen. Mgr.
JOHN F. WOHLGEMUTH, Secretary
Associate Managers:
W. A. SCANLON G. C. ROEDING
O. E. SCHWARTZ

CINCINNATI OFFICE
420 E. Fourth St., Tel. Parkway 2140
LOUIS H. MARTIN, Manager
ABNER THORP, Jr., Director Life Ins. Service Dept.
CURTIS C. CROCKER, Mgr., Handbook Dept.
NEW YORK OFFICE
1200-128 William St., Tel. Beekman 2-3958
EDITORIAL DEPT.
GEORGE A. WATSON, Associate Editor
R. B. MITCHELL, Assistant Editor

BUSINESS DEPT.
NORA VINCENT PAUL, Vice-President
W. J. SMYTH, Resident Manager
J. T. CURTIN, Mgr., Industrial Dept.
HARTFORD OFFICE
Room 802, 18 Asylum St.
Telephone 7-1227
RALPH E. RICHMAN, Manager

PHILADELPHIA OFFICE
1127 Fidelity-Philadelphia Bldg., Tel. Pen 2706, **HARRY C. MOUNTAIN**, Resident Manager

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Opportunity for Sales to Women

THE EQUITABLE LIFE OF NEW YORK "AGENCY ITEMS" speaks of a survey of the company's experience last year, showing that women are buying about 20 percent of the life insurance contracts including endowments issued by that company. While women are buying smaller amounts on the average than men, yet the Equitable sees an increased interest among women buyers.

Many companies are finding this self-same interest among women who are purchasing insurance and building up estates and retirement funds. The fact that so many estates have shrunk to

the vanishing point and have brought disappointment and trial has caused women to seek those mediums for estate and retirement building that are regarded as the very soundest. Women who are purchasing insurance appreciate even more than men the necessity of security and solidity. They do not want to depend on investments that are speculative or fluctuate. Life insurance presents therefore the most substantial and dependable investment that can be made. Agents are recognizing the fact that women are more and more becoming insurance buyers.

Essential to Drive One's Job

As insurance salesmen face conditions of 1935, they realize that steady, consistent, intelligent prospecting and canvassing will bring results. The main question for an agent to ask himself is: "Does your job drive you or are you driving your job?" The difficulty as we see it in too many cases is that the job is mastering the agent rather than the agent being able to control the job. When one becomes really a slave to his job and is pinioned by it, his enthusiasm and inspiration soon wane. He lacks the spark, determination and the vision that should accompany life insurance work in the field.

The agent in his work must seek to have a grand scheme and learn to master himself. He must have an objective and work to it. He must possess determination and see more in what he is doing than the earning of money. His

budget of time and expense must be in harmony with what he is trying to do. Continuous hard work without recreation causes one to grow stale. An agent's vacation and his holidays should therefore fit in with his work. When he anticipates being off the firing line and engaging in vacation pursuits he has something to work for. In fact he should have before him some definite goal which he is trying to reach at all times. When one uses his job as a vehicle in which to ride and he has it under perfect control, work then becomes a real inspiration.

The hit or miss plan, the use of the blunderbuss, the scattering of fire, the lack of program, all contribute to failure in life insurance business-building. The moment one has his job under control and is able to drive it to his satisfaction he will make a success.

More Responsibility on Underwriters

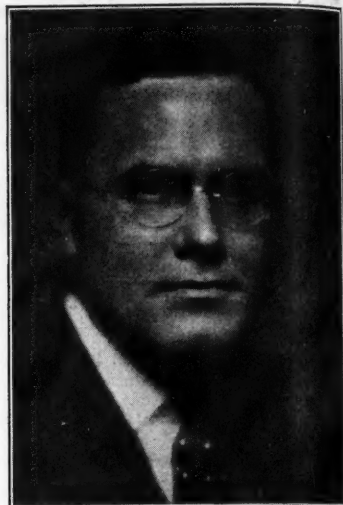
BANKS all over the country are reducing the interest that they will pay on savings accounts. The interest rate on deposits is being cut almost to the vanishing point. This, of course, is an indication of the declining rate of interest and the thought in the minds of bankers. Insurance companies naturally have to keep this matter before them in connection with their investment earnings. They

cannot rely in the future on the same rate of interest that they have in the past. Many dividends of corporations will be decreased.

This means that companies will have to rely far more and more on earnings from their underwriting and this places greater responsibility on the men in charge of the home office underwriting department.

PERSONAL SIDE OF BUSINESS

Being Featured



JAMES A. McLAIN

Vice-president James A. McLain of the Guardian Life is being featured in April, it being his fifteenth anniversary with the company. After a number of years as an agent Mr. McLain joined the home office in 1920 as agency assistant. Four years later he became assistant superintendent of agencies and the following year was made inspector of agencies. In 1928 he became superintendent of agencies and was placed in full charge of production. Two years later he was made agency vice-president and later the same year was elected vice-president. He is one of the best known field generals in the country.

Ohio State University law school. He was counsel for some time for the American Insurance Union and also represented a number of insurance organizations and companies.

Dr. W. H. Scoins, member of the head office medical department of the Pacific Mutual, was honored at a dinner in Omaha given by Frank L. Sveska, general agent.

George H. Harris, supervisor of the field service bureau of the Sun Life, Montreal, is revelling this week in memories of 25 years ago. The D'Oyly Carte Gilbert and Sullivan opera singers are in Montreal this week. Mr. Harris will hear with a critical ear and see with a discerning eye. Before leaving England for Canada 21 years ago, Mr. Harris managed several Gilbert and Sullivan opera associations. Both he and Mrs. Harris frequently took parts. Mr. Harris moves about conversationally among the Gilbert and Sullivan operas with an ease and understanding as great as he displays on life insurance selling.

Col. C. B. Robbins, manager and general counsel American Life Convention, Chicago, is on a three weeks' trip through southern and eastern states, visiting home offices of member companies. He stopped off at Indianapolis for two days, then went to Nashville and Birmingham. His itinerary also included Greenville, S. C.; Greensboro, N. C. He planned to be in Washington, D. C., April 18-19, then to go to New York as a representative of the A. L. C. at the Life Office Management Association meeting. Col. Robbins will return to Chicago for a day before going to the annual meeting of the A. L. C. Medical Section, where he and President H. K. Lindsley will extend greetings.

H. A. Behrens, president of the Continental Casualty and Continental Assurance of Chicago, has returned to his office after an absence of several weeks on a South American voyage.

Mr. and Mrs. **W. A. White** of South Orange, N. J., celebrated their 49th wedding anniversary April 13. Mr. White is New Jersey state agent of the John Hancock Mutual with headquarters in Newark.

While the entire civilized world is reading and marveling at the wonders performed by modern surgery for little Jimmie Neilson of San Jose in righting his "upside down" stomach, few know that the movement to collect sufficient funds so that Jimmie could go east for the operation was started by **John M. O'Keeffe**, manager of the Metropolitan Life in that city. Jimmie's father is a member of the O'Keeffe agency and in this way Mr. O'Keeffe became interested in the case and started the fund which led to the operation and Jimmie's apparently successful recovery.

H. W. Manning, assistant general manager of the Great-West Life, is recuperating in the south from an illness, with which he became afflicted early this year. He is reported to be making satisfactory progress and is expected to return to the head office in Winnipeg shortly.

Arthur F. Hall, president Lincoln National Life, made his first visit in ten years to Texas as guest of O. D. Douglas, San Antonio, Texas general agent. In honor of Mr. Hall's visit the Texas agency put on a production drive and Mr. Hall was presented with \$450, 910 business.

R. L. Gregory, 38, president of the Postal Life & Casualty of Kansas City, identified with the insurance business in Kansas City for some years, died at his home there.

W. B. Rodgers, general agent in Pueblo, Colo., of the Equitable of Iowa, is the chairman of the Salvation Army drive now being conducted in that city.

Glen McTaggart, general agent in Denver of the Prudential, and his wife will leave Denver for a home office conference. They will visit Washington, D. C., and return to Denver via the Panama canal.

Emmet C. May, former president of the Peoria Life, is planning to reenter the life insurance business. He and his son, Walter May, are planning to build an agency together. They are considering establishing themselves in Florida.

O. F. Gilliom, Berne, Ind., general agent Lincoln National Life and one of its most successful representatives, celebrates his 25th service anniversary career April 27.

Mr. Gilliom is a consistent honor club member. He was named most valuable producer for his company in 1911, 1914, 1915, 1916, 1917 and 1920. He now leads the consecutive weekly production club with 1,070 weeks, over 20 years.

T. H. Matthews, 56, vice-president of the Kentucky Central Life & Accident since 1917 and connected with the company for 32 years, died suddenly from heart disease.

Bert W. Gearheart, former Ohio insurance commissioner, died of apoplexy Tuesday morning at his home in Columbus. He was stricken Sunday, pneumonia setting in later and hastening his death. Mr. Gearheart was 58 years of age and was a graduate of

NEWS OF THE COMPANIES

Anniversary of the N. Y. Life

Special Ceremonies at Directors Meeting
90 Years After Election of Com-
pany's First Board

The directors' meeting of the New York Life last week, which was attended for the first time by both Herbert Hoover and Alfred E. Smith, marked the 90th anniversary of the election of the company's first board. President Buckner took that occasion to recall something of the company's history and remark on the significance of the anniversary.

The members of the first board, he recalled, were elected by the commissioners named to organize the company in an act of the New York legislature in 1841, when the charter was granted. The first meeting of the directors or trustees, as they were then known, was held April 12, 1845, the date generally accepted as the anniversary of the company.

Leading Citizens on Board

Among the first board members were the leading and most substantial citizens of the day including one of the builders of the Panama railroad, the first colonel of the famous Seventh regiment, the man who financed the laying of the first Atlantic cable, the founder of the banking firm of Brown Brothers & Co., the first president of the Panama railroad, and a leading member of the Society of Friends.

Mr. Buckner then mentioned some of the distinguished men who subsequently served on the board, including Calvin Coolidge, who was chairman of the agency committee. He reviewed some of the problems that faced the directors during the 90 years. There have been periods of expansion and speculation during which the directors had sufficient foresight to be prepared for the periods of depression and strain that followed.

"Our background of 90 years," he remarked, "covering periods of war and epidemics, panic and depression, has provided us with a philosophy of conservatism from which we have not been diverted. Life insurance involves the future security of too many homes and families, wives and children, for us to pursue any course other than that which experience has shown to be the safest and most conservative."

Following Mr. Buckner's address, Mr. Smith, as chairman of the agency committee, submitted a resolution congratulating the agents upon their success so far in the 90th anniversary year campaign. The volume of new paid for business this year totals \$157,814,000, an increase of \$35,659,000 over the corresponding period of last year.

Connecticut General's 70th Anniversary Drive Starts

The Connecticut General this week launched a campaign among its agents to tie in with the company's 70th anniversary. The contest runs from April 15 to June 22. The 25 leading agents will be guests of the company at the seventieth anniversary ceremonies at the head office of the Hartford in July. These ceremonies will take place at the same time as the functions in connection with the tercentenary of the state of Connecticut are conducted.

Stock Dividend Declared

The Gulf States Security Life of Dallas has declared a 6 percent stock dividend. F. C. Allen, president of the Allen Furniture Company, Corpus Christi, and R. B. Mack, general manager Fort Worth Wholesale Grocery Company, have been made directors.

Atlas and Beacon Consolidate

Merged Companies Now Have 26 Million
in Force, Over Three Million
Assets

TULSA, OKLA., April 18.—Consolidation of the Beacon Life with the Atlas Life, which will be the continuing company, will be completed when approved by Beacon Life stockholders and Commissioner Jess G. Read. The consolidated company will have \$3,200,000 assets and \$26,000,000 of insurance in force. Johnson D. Hill is president of the Atlas Life, and Dr. J. D. Finlayson, formerly chancellor of the University of Tulsa, is president of the Beacon Life.

Johnson D. Hill continues as president and treasurer of the Atlas Life, and realignment of the board of directors will give the company three new members, who have been serving on the Beacon board. Beacon Life directors are W. G. Skelly, C. A. Mayo, R. Otis McClintock and Fred Insull. Three of these will be retained on the newly-formed board.

Dr. John D. Finlayson, who resigned as Chancellor of the University of Tulsa two years ago, to become president of the Beacon Life, has not announced his future plans.

The Atlas Life company has been in operation since 1918 and is licensed in seven states. The Beacon Life was organized in 1930 and operated in Oklahoma and Texas.

Other officers of the Atlas are D. S. Ross, vice-president and secretary; J. E. Karr, manager of agencies; Dr. De-Zell Hawley, vice-president and medical director; C. H. Menge, actuary and assistant treasurer, and Logan Stephenson, general counsel. Directors include J. C. Denton, R. K. Huey, J. A. Hull, L. F. Rooney, and W. L. Dickey.

Wood Becomes President of Reorganized Security Life

J. A. Wood has resigned as Oklahoma City general agent of the California-Western States Life to become president of the recently organized Security Life Association of Okmulgee, Okla., formerly of Ada.

In the reorganization, Jack Wood was made vice-president and Bruton Wood, secretary-treasurer. Besides these three officials the directors are C. C. Brook and C. C. Bruton. Mr. Wood is widely known in life insurance circles of Oklahoma, having served for many years as general agent of the Aetna Life. He is a past president of the Oklahoma Association of Life Underwriters.

Opens Group Department

The Federal Life is organizing a new group insurance department under A. E. Lawrence. Mr. Lawrence had charge of the group insurance of the Travelers in Cook county for nine years and for four and a half years has been group supervisor for the Continental Assurance. The Federal Life has written some group policies in the past in both the life and accident field as a side line to the ordinary business.

Standard Life, Indiana, Meeting

H. G. Leslie, former governor of Indiana, president of the newly organized Standard Life of Indianapolis, presided at a dinner there at which approximately 400 stockholders and guests were present.

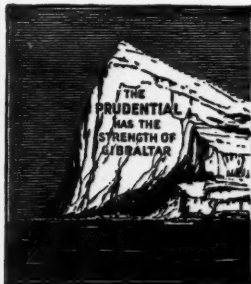
In addition to President Leslie, speakers were Judge W. E. Treanor of the Indiana supreme court and these directors: Prof. J. R. Schutz of Man-

It's Called "Good Will"

A salesman is judged not only by the company he represents, but by his own interpretation of that company's ideals and objectives.

Concern for the Prospect and careful selection of the protection he needs makes of him not only a policyholder, but a friend as well. And—

A prospect for future reference.



The Prudential Insurance Company of America

EDWARD D. DUFFIELD, President

Home Office - Newark, New Jersey

EXTRACT FROM 64th ANNUAL REPORT

December 31, 1934

GROSS INCOME

\$16,405,935.33 (Increase: \$870,310.12)

PREMIUM INCOME

\$12,594,534.64 (Increase: \$783,506.94)

ASSETS

\$78,515,318.60 (Increase: \$3,130,147.80)

INSURANCE IN FORCE

\$396,015,756.00 (Increase: \$18,731,817.00)

CAPITAL, SURPLUS and SPECIAL CONTINGENCY RESERVES

\$14,886,407.96 (Increase: \$248,602.63)

TOTAL PAYMENTS UNDER POLICY CONTRACTS SINCE ORGANIZATION

\$96,123,428.51 (Increase: \$7,061,272.29)

THE LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
Organized 1871



Bradford H. Walker
President



chester College; C. E. Smith, Anderson; William Lehman, Cannelton, Dean J. H. Skinner of Purdue University and W. P. O'Neill, Mishawaka, former state securities commissioner.

Not to Renew License

Renewal of its license in Nebraska has been refused to the Alliance Life of Peoria, Ill., by Insurance Director Moose. The company was formerly the Life & Casualty of Chicago, but after its reinsurance of the Peoria Life it removed to that city and changed its name. Mr. Moose said the Nebraska law forbids licensing companies whose promotion and organization expense exceeded 10 percent of the par value of its stock, and this company spent in excess of 20 percent.

To Change Name

CHARLOTTE, N. C., April 18.—The Pioneer-Pyramid Life will change its name to the Pyramid Life and will raise \$100,000 additional capital and reduce its present par value of stock 50 percent, according to plans reported at a stockholders' meeting by President E. E. Jones. Assets received in the purchase of the Pioneer Life of Greenville have been written down to a conservative estimate of present day values

and policyholders reserves have been increased, Mr. Jones reported.

Form South Dakota Mutual Life

Articles of incorporation have been filed for the South Dakota Mutual Life of Huron, an assessment company. The incorporators are residents of Huron and Miller, S. D.

Season Is Now a Success

Some concern has been expressed among legislative people in recent weeks because the customary bill to limit the salary of any officer or director of a Wisconsin insurance company to \$25,000, had not made its appearance in the legislature of that state. They felt that the absence of this bill would mar an otherwise well rounded legislative year. However, last week they had the satisfaction of seeing this perennial measure reintroduced for the seventh time. It is aimed at the Northwestern Mutual Life.

Industrial Promotions

Washington National—A. A. Slater, agent to field superintendent in Cleveland.

Imperial Life, N. C.—Superintendent J. K. Cole of High Point, N. C., appointed manager at Hickory, N. C., succeeding C. H. White, newly appointed High Point manager.

1935 Offers Opportunity for State Life Agents

- A wide range of up-to date policies, thorough training, and helpful cooperation enable State Life Agents to serve their prospects and policyholders adequately, at ages from one day to age sixty-five.

- Our new Juvenile Policies continue popular. They open the way not only for policies at ages from one day to nine years, but also for many types of policies for older children and adults.

- The ideal and aim of the Agent is to serve unusually well in every case, and to build up a loyal clientele—a permanent business.

- Under a comprehensive, well-balanced program, 1935 offers exceptional opportunity for State Life Agents.

THE
STATE LIFE
INSURANCE COMPANY
Indianapolis, Indiana
1894... PURELY MUTUAL... 1935

AMONG COMPANY MEN

Langley Becomes President, Haltiwanger Is Chairman

A. B. Langley has been elected president of the Carolina Life of Columbia, S. C., to succeed P. H. Haltiwanger who becomes chairman of the board after 30 years as president. Mr. Langley has been with the company for 25 years and has been vice-president and general manager. Amos Haltiwanger has been promoted from assistant secretary and treasurer to vice-president and treasurer. A. H. Kohn is secretary, A. Hart Kohn, assistant secretary and assistant treasurer; William Wallace, actuary.

W. H. West Is Agency Head of Columbia Life of Ohio

W. H. West has been appointed superintendent of agencies of the Columbia Life of Cincinnati. He formerly resided in Columbus and has had a good many years' insurance experience. He entered the business as an agent for the Connecticut Mutual Life in Cincinnati 12 years ago. Then he was made supervisor in the Pittsburgh agency of the company. In 1925 he went to Columbus and joined the home office staff of the Midland Mutual Life, taking charge of its expansion work in the east. He opened new territory and organized agencies in Pennsylvania, Virginia, New Jersey, New Hampshire and Delaware.

Aldrich Reports Recovery

H. E. Aldrich, vice-president Equitable Life of Iowa, who has been on an extended agency trip, reports that America's recovery is a fact, not a mere catch phrase, and it is progressing faster than most people realize. Mr. Aldrich was accompanied by Ray E. Fuller, assistant superintendent of agencies; E. E. Cooper, field supervisor of agencies and Phil Irwin, assistant actuary. They conducted a series of district conventions on the Pacific Coast and in some sections of the central west.

Reilly on Texas Trip

President John E. Reilly of the Old Line Life of Milwaukee is on a business trip through north and west Texas. He

Newly Elected Secretary of Northwestern Mutual



G. L. ANDERSON

G. L. Anderson, who has been assistant secretary of the Northwestern Mutual for 20 years, was elected a secretary at the quarterly meeting of the board. He succeeds Evan D. Jones, who died recently. He started with the company in 1902, in the premium collection division. Later he was in the auditing division and the general book-keeping division, after which he was placed in charge of the general books in 1911. He was appointed assistant secretary about 20 years ago.

Mr. Anderson has taken special interest in devising the methods under which accounting and allied office procedures are handled with field offices and agents, all of which has resulted in a standardization of the essential units.

He is a member of the office committee of the company and of the Life Office Management Association.

W. J. Kohler, former governor of Wisconsin, has been elected a member of the executive committee. He was elected a trustee in 1934. He succeeds W. C. Quarles of Milwaukee, a trustee since 1919, who resigned.

expects to return by way of Hot Springs, spending a few days there.

AS SEEN FROM CHICAGO

FINDS CONDITIONS BETTER

Conditions throughout the country are much more promising than for a number of years, D. C. MacEwen, Jr., vice-president and assistant superintendent of agencies of the Pacific Mutual Life, stated in a talk to the staff of the E. E. Henderson general agency in Chicago. Mr. MacEwen was reporting on his observations in a six weeks' tour of inspection in many states. Today, Mr. MacEwen said, interest in life insurance and personal insurance of all kinds is away beyond anything ever before experienced. The public never has been so insurance conscious as now, he finds. People have seen their life insurance programs stand every test, he said. There has arisen also a keen interest in the company behind the policy.

In this connection Mr. MacEwen told something of President G. I. Cochran's conservative investment policy over the last 30 years. In loans on churches only value of land was considered, the maximum loan being 40 percent of appraised value. In hotel loans the deciding factor was rental value of the lower floor. Mr. MacEwen said last

year the Pacific Mutual saved 34 percent of the income from its foreclosed real estate over and above management expense. President Cochran has conducted the investment affairs of the University of California for 40 years, employing the same principles as with the Pacific Mutual. He would not spend any money that he did not have to spend, or make any commitments where the money was not available.

"AD" MEN TO MEET MAY 24

The North Central Round Table of the Life Advertisers Association will be held at the Edgewater Beach Hotel, Chicago, May 24, according to R. C. Budlong, Northwestern National Life, membership chairman Life Advertisers Association and chairman of the North Central Round Table committee.

MACK & PARKER ESTABLISHED

Edward E. Mack and John B. Parker announce establishment of the general insurance firm of Mack & Parker, with offices at 208 South La Salle street, Chicago. Mr. Mack has engaged in the insurance business in Chicago since 1922, associated with the Rockwood Company.

He is a director of the Insurance Brokers' Association of Illinois and a graduate of the University of Michigan. Mr. Parker resigned as agency secretary of the Continental Assurance. He has been identified with the life insurance business, both in home office administrative and field organization activities, for more than 15 years. Mack & Parker has not announced its company affiliations.

ILLINOIS LEADERS

Companies with \$25,000,000 or more life insurance in force in Illinois are shown below with their 1934 new business figures and insurance in force on Dec. 31:

	New Business	In Force
Acacia Mutual	3,059,718	30,534,341
Aetna Life	102,870,722	349,539,178
Bankers Life, Iowa	5,427,679	81,188,350
Canada Life	1,341,621	23,238,748
Central Life, Ill.	2,651,168	25,394,859
Connecticut General	9,027,312	52,625,724
Connecticut Mutual	8,065,896	87,663,210
Continental Assur.	14,101,600	60,917,848
Country Life, Ill.	18,035,500	66,029,998
Equitable of N. Y.	83,115,488	497,859,016
Equitable of Iowa	5,528,706	65,881,255
Franklin Life	5,001,661	42,706,667
Federal Life, Ill.	1,594,077	34,126,299
General American	3,572,620	41,507,786
Globe Life	9,511,866	27,089,571
John Hancock Mut.	53,029,038	261,559,156
Lincoln National	15,069,602	60,762,975
Massachusetts Mut.	13,882,508	175,168,009
Mut. Benefit, N. J.	8,733,574	144,574,853
Mutual Life, N. Y.	27,882,220	357,246,307
Metropolitan Life	313,103,319	1,548,155,951
Mutual Trust Life	2,901,651	32,999,202
New York Life	46,142,462	631,847,958
National Life, Vt.	2,028,357	30,339,709
New England Mut.	17,947,231	97,350,913
Northwestern Mut.	24,708,874	394,404,844
Pacific Mutual	3,134,009	29,722,428
Penn Mutual	13,827,955	164,821,420
Phoenix Mutual	6,636,476	35,025,497
Prudential	214,790,841	1,172,483,716
Provident Mutual	5,766,472	53,267,742
State Mutual	3,391,299	47,258,750
Sun Life, Can.	23,980,226	111,291,666
Travelers	50,073,230	348,412,727
Union Central	5,102,003	82,202,753
Western & Southern	15,503,023	68,675,923

AGENTS REST ON THEIR OARS

Chicago offices have reported a let-down in business during the last month or so due largely to the great campaign that was put on in December when so many companies increased their rates and made other changes. There was an effort to get everybody under the wire before the first of the year. A lot of business that was written in December was paid for in January and February. Business therefore the first two months of the year was fairly good. Undoubtedly the strain and stress of the year end drive caused a let down. Agents have not been working as hard as they did and the results are apparent. They are not making the interviews to which they have been accustomed. Undoubtedly many agents cleaned up their prospects that were in the immediate offing and have not had an opportunity to build up a new set. General agents and supervisors are therefore devising plans to stimulate business.

JUDD AGENCY MOVES

The R. A. Judd agency of the Phoenix Mutual Life of Chicago, which has been located in the Midland building, is moving to new quarters in the 208 South LaSalle Street building.

May Maintain Louisville Office

LOUISVILLE, April 18.—It is understood that an agreement has about been reached whereby a deputy insurance commissioner will be continued in Louisville, to handle securities of life companies up for reserve. Indications are that the state will pay \$50 a month of the cost and the companies the rest. The last legislature placed the securities in the hands of the state treasurer, but failed to make necessary appropriations, and the treasurer refused to accept the obligation. W. M. Duffy, Louisville, attorney and casualty company counsel, is being mentioned for the post of deputy.

Mrs. Mary A. Fairchild, chief clerk Nebraska insurance department, has recovered sufficiently from injuries received when a skidding automobile overturned to permit her to resume her duties on part time.

News of Pacific Coast States

Two Candidates Mentioned

Chambers or McInroy May Be Named Provisional Commissioner in Colorado If Cochrane Ousted

DENVER, April 18.—There are rumors here to the effect that two prominent insurance men are likely successors to Jackson Cochrane in his office of insurance commissioner. One report is that John Chambers, recently appointed receiver of the Republic Mutual, might be appointed by Governor Johnson if Cochrane is removed.

The other report, which seems to have more basis, is that James P. McInroy, general agent State Life of Indianapolis, will soon be provisional commissioner. McInroy was campaign manager for Governor Johnson. As yet, the civil service commission has failed to take any action on the senate's recommendation concerning Cochrane. That the senate is keeping its promise to push the matter after adjournment is evident, since John Nolan, chairman of the special investigating committee, is urging the commission to take some sort of action. If Cochrane should be removed, the governor would have the power to appoint a provisional commissioner until an examination could be held.

Even if the civil service commission does not take action, the state employee retirement law, just passed, will affect Cochrane, according to Senator Ammons, who inspired the investigation. The law requires that any employee over 50 is to be automatically retired, and Cochrane is far beyond that age limit.

Last of the "Racketeering" Outfits Dead in California

LOS ANGELES, April 18.—With the signing by Superior Judge M. C. Westover of an order to liquidate the National Mutual Protective, last of 15 mutual assessment associations which have been ordered to cease doing business here the past year, the last vestige of what the state insurance department has termed "insurance racketeering" is wiped out. This result has been achieved through the active efforts of John L. Flynn, deputy attorney-general. "Insurance promoters that have now been put out of business have taken considerable profits by representing to the public that their companies were selling insurance at 'actual cost,'" said Mr. Flynn.

"Our examination disclosed that the greatest amount ever paid on a \$1,000 death benefit policy by any of these companies was \$224, and the average amount paid was \$50."

Discuss Security Plans

Peter Thompson, group supervisor Equitable of New York, led a round table discussion of the Los Angeles Life Insurance Forum on the proposed federal social security legislation and old age pensions. The benefits contemplated by such legislation will be wholly insufficient to solve the problem of meeting existing needs and the public will turn to life insurance and annuities to assure protection for old age, he said. Talks were given by W. H. Westcott, S. I. Snortum, Phil Prouty, Floyd Forker, H. E. Belden and Victor Pettrick.

Oregon Applicants Narrow Down

PORTLAND, ORE., April 18.—Governor Chas. Martin has not as yet named Oregon's insurance commissioner. The list of applicants now has narrowed down to Del Beard, Portland insurance executive; Fred Brennan and



To All You Men Out On the Firing Line!

You are interested in becoming a better Life Underwriter, aren't you?

When you come to the NALU convention in Iowa this Fall, you'll associate with outstanding and successful life insurance men from all over the country. That association, and the program of the convention itself, will help you in your daily work of prospecting, interviewing, closing and selling.

As President of the Iowa State Association of Life Underwriters, I extend you a most cordial invitation to attend the convention and promise you an interesting, constructive, helpful week in Des Moines in September.

Yours very truly,

F. W. DARLING,
Cedar Rapids, Iowa.

President, Iowa State Association of Life Underwriters
Agency Manager, Bankers Life Company



Bankers Life Company

Des Moines, Iowa

A MUTUAL LIFE INSURANCE COMPANY IN ITS 56TH YEAR

Share the Wealth

ABOVE all the wild cat ideas for lifting ourselves by our financial bootstraps stands Fidelity's time tested plan for guaranteed security in old age.

Fidelity originated the "Income for Life" plan more than thirty-two years ago. The thousands who have adopted it offer outstanding evidence of what man can do for himself to safeguard the golden years of his life.

Here is a wealth sharing plan which gives without denying any man the fruit of his labors—just one of a complete kit of modern sales tools.

The FIDELITY MUTUAL LIFE
INSURANCE COMPANY
PHILADELPHIA
WALTER LEMAR TALBOT, President



LIFE INSURANCE TO BAT

THE manager of one of the greatest American baseball clubs said: "When a man neglects to make provision for his own retirement and comfort, it is like getting caught 'napping' on second after a two-bagger. A man's most productive years take him only half way around life's bases and, unless someone comes to bat who can deliver the goods, his chances of getting home safely are slim."

Sign up with Life Insurance to bat for you. Call it good judgment if you like, but it will be the best play of your life.

Peoples Life, the friendly company, back all their plays and will see you safe home. You will find it pays to be friendly with

PEOPLES LIFE INSURANCE COMPANY

"The Friendly Company"

FRANKFORT

INDIANA

"It is our objective to provide our field representatives with all necessary tools, tangible and intangible, with which success is achieved in life insurance selling."

IN THIS changing world, insurance needs and requirements vary. A multiple line company recognizes this dynamic factor in insurance by offering a versatile and flexible program of life, salary savings, accident and health, and group insurance.

A General American Life representative will explain how multiple lines meet varying needs.



Saint Louis, Missouri

Life—Salary Savings—Group—Accident and Health

William Graham, both of Portland, and Hugh Earle, Eugene. Norman Lipscomb of Portland has withdrawn as a candidate.

Attacks Benefit Outfit

SEATTLE, WASH., April 18.—Charges of violation of the insurance code were filed by Commissioner W. A. Sullivan against the officers and employees of the Provident Benevolent Association. Sullivan declared that the company, organized here in June of last year, has never obtained a state insurance license and has never operated under the state insurance laws.

To Protect Policyholder

LOS ANGELES, April 18.—S. L. Carpenter, Jr., recently appointed California insurance commissioner, on his first official visit to Los Angeles stated that his chief aim will be protection of

policyholders. "The insuring public has a right to expect that insurance shall be sound," he said. "It will be my earnest endeavor to see that policyholders are properly protected and that companies observe the laws under which they do business." He said the insurance laws are "a little lax" as to certain types of companies, but that legislation is now before the legislature to correct the situation.

Yates Expands in Los Angeles

The Southern California agency in Los Angeles of the Massachusetts Mutual Life, John W. Yates & Associates, general agents, which occupies the 11th floor of the Security Title Insurance building, has taken over the seventh floor as well. Recently 15 prominent underwriters have become associated with Mr. Yates. The agency showed a 100 percent increase, both in policies and volume of business last year.

LIFE COMPANY CONVENTIONS

Mutual Benefit Conference

Ninety Day Aces Meet at White Sulphur Springs in Special Sales Gathering

At White Sulphur Springs, W. Va., the Mutual Benefit Life held its 90-90-90 conference for the first 90 agents that paid for \$90,000 in a 90-day campaign. There were 108 who really qualified and 74 were present, all paying their own expenses. Sixteen general agents attended. It was interesting to know that these aces produced 50 percent more business the first three months than the corresponding months of 1934. The business sessions were devoted to a discussion of business problems and meeting present day obstacles. Group conferences were arranged and the general agents had one separate meeting.

Give Special Recognition

Special recognition was given to C. F. Raley, Baltimore, first to complete the campaign quota; W. A. Christians, Jr., Milwaukee, first to pay for a new case of \$90,000 or larger; J. D. Hibbard, Grand Rapids, Mich., who paid for the largest volume in 90 days, \$373,000; H. B. Barnes, Wheeling, W. Va., who secured the greatest number of paid annual premiums, 43; H. L. Dickson, Anderson, Ind., who secured the greatest number of prepayments, 68; H. M. Clay, Lexington, Ky., who secured the greatest number of cases on new lives, 43½.

General agents who completed the personal production campaign quota were: J. W. Brown, Louisville; C. C. Otto, St. Louis; W. E. Johnson, Jr., Nashua, N. H.; M. H. Poindexter, Wichita.

Company officials present were John R. Hardin, president; John S. Thompson, vice-president and mathematician; Oliver Thurman, vice-president and superintendent of agencies; V. W. Samms and G. F. Ream, assistant superintendents of agencies, and Mildred F. Stone, agency field secretary.

Midland Mutual Agents in Michigan Hold Convention

LANSING, MICH., April 18.—The Columbus Mutual Life agents of Michigan held their annual meeting here. T. H. Tangeman, vice-president and counsel, and Col. Forrest Braden, assistant to the president, addressed the banquet. A short course in life insurance fundamentals for the soliciting agent was given by Guy Doud of Battle Creek, former general agent.

Vice-president Tangeman stressed the need for realization of individual responsibility for economic security. Colonel Braden told of the good record of the company and of life insurance in general during the five years of depres-

sion. He pointed out that the company's mortality experience during the period was but 43.3 percent of expected and the average net interest earned on investments 4.66 percent. Assets increased 39 percent and the excess of total income over total disbursements was 31 percent. The company's business is on the gain this year, he said, with a 6 percent increase in January, 22 percent increase in February, and 43 percent increase in March.

President Myron Hawkins, Charlotte, and Elmer Newark, Lansing, a vice-president, were reelected to the agents club cabinet. The cabinet will meet in Lansing May 25 to choose officers.

State Mutual Gathering

The State Mutual Life is developing plans for a convention commemorating the 90th anniversary of writing its first policy. Leading agents will meet June 4-5 at the home office. The qualification period is July 1, 1934, to May 15, 1935. There will be business sessions, golfing, sight-seeing trips and other entertainment. A large increase in paid business has been experienced during the first three months of 1935, most agencies participating. With more than a month to run, many already have exceeded their convention quotas.

Aetna Life Iowa Meeting

J. M. Mullene, chief underwriter at the home office of the Aetna Life, will speak at a two-day meeting of Iowa agents April 19-20 in Des Moines. Other speakers will be R. S. Edwards, Chicago general agent; Frank Plaisted, Chicago, assistant general agent, and C. W. Keyser, Iowa City, district agent Mutual Life of New York.

High sales representatives to be honored at the meeting will include George Hughes, Des Moines; R. M. Howes, Clinton; A. R. Cavin, Iowa City; M. M. Thompson, Cedar Rapids, and Charles Greeley, Waterloo, Ia.

Meet in Omaha

Over 250 agents of the Equitable Life of Iowa attended a two-day meeting in Omaha. The following home office men were present: H. E. Aldrich, vice-president and superintendent of agencies; R. E. Fuller, assistant superintendent of agencies; P. C. Irwin, assistant actuary, and E. E. Cooper, field supervisor. Agents from Iowa, Nebraska, Kansas, Oklahoma, Missouri and South Dakota were present.

Conference in September

The Equitable Life of New York will hold an agency educational conference at Cloister, Sea Island, Ga., in September. The Florida agency and the Jeter agency of North and South Carolina will meet.

LIFE AGENCY CHANGES

Pan-American Appointments

New Orleans Company Names New Managers and General Agents in Many Sections

The Pan-American Life has named 11 new field managers and general agents. W. C. Hester, Jackson, Miss., will cover 26 counties. At San Antonio S. K. Reed will be manager and Sam Liberto general agent. S. L. Rice has been advanced from assistant to manager in Cincinnati. Bert Watson of Lexington, Ky., will manage 20 counties; D. R. Dobie will be district agent at San Marcos, Tex., with four counties, and A. P. Pavlik, district agent at Taylor, Tex. H. H. Stewart, Chicago, will be unit manager under L. W. Ginter, branch manager. L. M. Brooks will be district agent at Pittsburgh under the Pennsylvania Underwriters, state representatives. H. W. Mizell, for five years home office supervisor of conservation, has been named general agent at Texarkana, with 18 counties. E. W. Weaver, former branch office cashier, has been named general agent at Los Angeles.

Engelhard & Co. Named

The Engelhard & Co. agency of Chicago has been appointed general agent in that city by the Old Line Life of Milwaukee. This general insurance office, which has quarters in the Insurance Exchange building, for a number of years has placed business on a brokerage basis with other companies. Paul R. Engelhard will direct the life production.

Two Agencies Appointed

The Continental Assurance has just appointed two general agencies, Leo Schlaudecker & Co. of Erie, Pa., formed in 1873, and Rockey & Henry of Harrisburg, Pa. Both represent the Continental Casualty as general agents for accident and health, and do a general insurance business. Schlaudecker & Co. is managed by Daniel Murphy for the widow of the late Leo Schlaudecker, Jr., who ran the agency for many years following his father's death. F. V. Rockey and J. R. Henry are the part-

ners in Rockey & Henry. Mr. Henry was president and Mr. Rockey secretary of the old Pennsylvania Surety which was liquidated in 1924. They organized their agency at that time.

Dorwart Succeeds Ott

G. E. Dorwart has been placed in temporary charge of the Philadelphia agency of the Guardian Life of New York pending appointment of a successor to G. E. Ott, resigned. Mr. Ott was formerly with the Equitable Life of New York in charge of eastern Pennsylvania. He is a past president of the Philadelphia Association of Life Underwriters.

Hill Columbus Manager

W. D. Hill, formerly with the Lincoln National, has been appointed manager of a new district office opened by the Buffalo Mutual Life in the Columbus building, Columbus, O. He has been with the Lincoln National since 1925 in the home office and field and was assigned to Columbus early in 1934 as supervisor of its agency there.

New Wichita General Agent

The Central Life of Des Moines has appointed E. G. Fahnestock general agent at Wichita for the southwest third of Kansas, succeeding H. L. Gilhaus. Mr. Fahnestock has been with Brown & Bigelow in Kansas City, where he specialized in sales campaigns for life companies. He formerly was with a life company at Sioux City, Ia.

Named by Guarantee Mutual

A. R. Rucks of Nashville has been named central Tennessee manager of the Guarantee Mutual Life. He has represented the Mutual Life of New York, John Hancock and Reserve Loan Life at Nashville.

R. E. Kiplinger of Holdrege, Neb., has become general agent of the Guarantee Mutual for nine central Nebraska counties, with headquarters in Kearney.

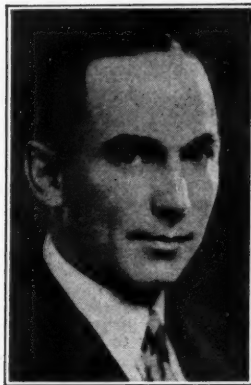
J. I. Russell to Knoxville

J. I. Russell, general agent of the Northwestern National Life at Portsmouth, O., has been transferred to Knoxville, Tenn., where he will open

Midland Mutual State Agency



J. R. MAYFIELD



G. A. BOWEN

J. R. Mayfield, formerly agency director, and G. A. Bowen, formerly general agent of the Indianapolis Life, have formed a partnership and taken over the Indiana state agency of the Midland Mutual Life, with offices at 907 Merchants Bank building, Indianapolis. Mr. Mayfield has had eight years' experience with the Indianapolis Life, prior to which time he was an agent of the Pan-American in southern Indiana.

Mr. Bowen was president of the

Marion County Bankers Association at Indianapolis in 1934. He is now president of the Wanamaker State Bank, located in a suburb of Indianapolis, but has given his full time to life insurance for the past ten years, and is a large personal producer. Mr. Mayfield has had eight years of experience as an organizer and also writes a large volume of personal business. Intensive organization work throughout Indiana is now under way.

AMERICAN CENTRAL LIFE

INSURANCE COMPANY

ESTABLISHED 1899

INDIANAPOLIS, INDIANA

● All modern forms of Life Insurance and Annuity contracts are written, either on an annual or single premium basis. Annuities include Retirement Income, Elective (Deferred), Joint and Survivor, Refund, and Survivorship—one for any type of prospect, in short.



LIFE REINSURANCE EXCLUSIVELY

LAWRENCE M. CATHLES
PRESIDENT

99 JOHN STREET

NEW YORK CITY

Equality of Opportunity

is the basis upon which the Agency Contract is founded.

Square deal

Automatic Promotion

is provided for the man who forges ahead as a personal producer or as an agency builder or as both.

For details regarding the Agency Contract, address

Square deal

Agency Openings
in Wisconsin,
Ohio, Minnesota,
Iowa.

Guardian Life
Insurance Company

Home Office—Madison, Wis.

Country Life Insurance Company now has

\$70,000,000

in force in Illinois

CONCENTRATED EFFORT GETS RESULTS

We are trying to adequately serve the territory in which we operate.

In doing so we develop our own agents and train them to sell constructively. Our low lapse and large gains each year since we started are proof that it is succeeding.

We are making greater gains in 1935 than all past gain records.

Our mortality for the first quarter of 1935 is below 25% of the expected.

We expect to do Three Million in April, and are starting out at that pace thus far.

COUNTRY LIFE

INSURANCE COMPANY

L. A. WILLIAMS
General Manager

608 S. Dearborn St.
Chicago, Ill.

the Knoxville territory for the company.

Mr. Russell went from Knoxville to Portsmouth about eight years ago. He represented the Pacific Mutual in the latter city for a time and has been with the Northwestern National four years.

Danforth Made General Agent

E. H. Danforth of Davenport, Ia., has been appointed general agent by the Continental Assurance. He formerly was connected with the Travelers and then the Continental Assurance, then for a time was Georgia distributor for an electric refrigerator company, returning to life insurance in 1932.

H. M. De Lorme

H. M. De Lorme has been appointed manager of the Columbia, S. C., branch office by the Southeastern Life.

Johnson With Garrett

A. E. Johnson, Council Bluffs, Ia., has joined C. R. Garrett, Sioux City general agent for the Northwestern Mutual Life, as field assistant. Mr. Johnson will be located at Algona and will have charge of five counties. He has been associated with the Equitable Life of New York for six years, three of which were as district manager for several southwest Iowa counties.

M. L. Sherwin

M. L. Sherwin has been appointed agency manager of the Wisconsin Life for six counties in northeastern Wisconsin, with headquarters at Green Bay. He entered the business in 1921, and has been successful as a personal producer and in agency organization work.

Life Agency Notes

H. C. Manness, Raleigh, N. C., has been appointed assistant manager of the Raleigh-Roanoke agency of the Equitable Life of New York. He has been with the company for more than ten years.

S. O. McFadden, for several years trust officer of the Security-First National Bank, Santa Barbara, Cal., has been appointed district agent there by the John W. Yates agency of the Massachusetts Mutual Life.

H. E. Gouger, who has been a part-time representative of the Lincoln National Life, has been named general agent for Robstown, Tex., and vicinity.

J. W. Bingham has been appointed general agent of the Great American Life of San Antonio at Galveston, Tex.

The Crescent Life Agency, Evansville, Ind., has been incorporated to conduct a life general agency, by W. E. Neal, Hubert Stringfield, O. H. Roberts and Della M. Roberts.

A. T. Larson, formerly a district manager at New Windsor, Ill., has been appointed general agent at Moline, Ill., for the Franklin Life.

Rollie Payne has been named district manager at Sherman, Tex., for the Gulf States Security Life.

T. E. Rassieur, formerly president of Rassieur, Sweeney & Co., investment firm, has been appointed manager of the investment and annuity department of the George L. Dyer agency of the Columbian National Life in St. Louis.

M. P. Johnson, Tulsa, newly appointed Oklahoma manager of the Fidelity Mutual Life, expects to move the state office from Oklahoma City to Tulsa.

Carroll Perdue, district agent of the Guaranty Life of Davenport at Audubon, Ia., has been transferred to Harlan, Ia., as general agent. He will be succeeded at Audubon by E. L. Johnson, formerly his assistant there.

Hugh Hart Makes Change

Hugh D. Hart has resigned his connection with the American Agency System of New York, which is promoting the sale of penny-a-day policies through the Bankers National Life and the United States Life. He has gone to the Pacific Coast on a reinsurance deal.

Follows His Chief



R. H. MOUSER

Ben F. Shapro, recently appointed general agent of the Connecticut Mutual Life in San Francisco, has announced that R. H. (Bill) Mouser is to be associated with him as assistant general agent. Mr. Mouser, who is known nationally for his "Bill Stinger" sayings and writings of wit and wisdom, has been Mr. Shapro's right hand man for many years.

MANAGERS ASSOCIATION

Must Develop Men

ST. PAUL, April 18.—For the present at least, the general agent's best bet in getting results from his life insurance staff is proper supervision of such talent as he may have. Selectivity of agents will become more important in the future but for the time being that is not the pressing problem. These were some of the ideas which J. M. Holcombe, Jr., Sales Research Bureau, presented at the management course here. More than 100 general agents and branch managers attended.

Mr. Holcombe discussed why agents frequently quit after a try at selling life insurance. "I am convinced that in many cases it is not lack of potential ability; they simply did not know how to go at it," said Mr. Holcombe. "Many of them lacked training and lacked the power of self discipline. The new life insurance agent often needs to be bossed and if he is given the proper supervision he will make good."

Texas Managers to Meet

At the San Antonio (Tex.) Managers & General Agents Club meeting O. P. Schnabel, president Texas Life Underwriters Association, announced that a meeting of Texas life managers will be held at Waco, June 28, with Ricks Strong as chairman. The Texas Life Underwriters Association will meet at Waco June 29. An educational program for San Antonio was discussed. It was decided that a series of round table discussions, led by the different members, will be conducted.

Boston Supervisors Elect

BOSTON, April 18.—The Supervisors Club of Boston has elected the following officers: President, H. C. Mason, John Hancock; vice-president, W. R. Cooper, Aetna Life; secretary-treasurer, George Levesque, Travelers.

Every industrial man should read *The Industrial Salesman*, published monthly by *The National Underwriter*, 420 E. Fourth Street, Cincinnati. Subscriptions \$1 a year.

NEWS OF LIFE ASSOCIATIONS

Riehle Is Pittsburgh Speaker

New Emphasis on Social Security Seen as Opportunity by National Association Head

New opportunities for selling life insurance are being opened by the present emphasis on social security, T. M. Riehle, president National association, told the Pittsburgh association. He said this would increase the popularity of life insurance and the service which it can render. Old age pensions fulfill none of the functions inherent in individual provision through life insurance, he said. They will not and cannot even under government subsidy or legislative compulsion, maintain the accepted American standard of living. The people still must be protected against forces with which self-reliance cannot deal.

"Too many people have given thought to their own financial security, if at all, only as an incident to some other financial undertaking," Mr. Riehle said. "When the American people start seeking security as a fundamental, and not merely as a by-product, they will find it."

He was introduced by L. C. Woods, Jr., of the E. A. Woods Company of Pittsburgh, general agency of the Equitable Life of New York. H. T. Burnett, manager Reliance Life, and president of the Pittsburgh association, presented an honorary life membership to C. W. Scovel, Northwestern Mutual Life, past president of both local and National associations.

Public Relations Work Is Needed, Thompson Declares

SAGINAW, MICH., April 18.—The depression has left the American public in an appraising frame of mind and it behooves life underwriters both as individuals and as organized groups to see that the public is fully informed of the remarkable progress and stability of the life insurance business, H. B. Thompson, secretary-treasurer Michigan State association and executive secretary Qualified Life Underwriters and Associated Life General Agents & Managers of Detroit, said in his talk on "The Public and the Life Underwriter."

As a result of Mr. Thompson's address, the meeting directed the executive committee to consider means of creating a public relations bureau, and make recommendations to the next meeting.

Prepare for Convention

OMAHA, April 18.—Preparations for the national convention in Des Moines will be discussed at a luncheon here tomorrow of the Des Moines and Omaha Life Underwriters Associations. At least 200 are expected to be present and there will be a delegation of 75 from Des Moines. J. A. Spargur, president of the Des Moines association, will talk on "Organized Selling," M. C. Nelson, Des Moines, will discuss the convention plans and Martin Seltzer, Des Moines, will talk on the "Law of Contract."

Temple, Tex.—The association has been reorganized with A. H. Willig, Fidelity Union Life, president; Roy Faubion, Jefferson Standard, vice-president; H. H. Harrison, Great Southern, secretary-treasurer; Mrs. Paula Hicks, Great American, state committeewoman, and E. G. Manning, Amicable Life, national committeeman.

Ernest W. Owen, Detroit manager Sun Life of Canada, spoke on "The 13 Keys to Success," O. P. Schnabel, president Texas association; R. M. White, past president Dallas association; Harry Griffiths, past president Austin association,

and Miss Grace G. Campbell, secretary Waco association, assisted in reorganization.

East Bay (Oakland, Cal.)—A. J. Mount, president Central Bank of Oakland, spoke on "Underwriting a Financial Program," Ted Dryer, Pacific Mutual Life, related plans for special evening sales meetings May 2, 9, 16 and 23.

Michigan—G. E. Lackey, Detroit general agent Massachusetts Mutual, has been appointed state attendance chairman for the National convention in Des Moines. H. K. Schoch, general agent Aetna, is Detroit chairman.

San Francisco—C. W. Peterson, manager Phoenix Mutual, will speak April 25 on "Have You Got Rhythm?"

The meeting will also serve as an introduction for S. L. Carpenter, Jr., recently appointed insurance commissioner of California, who is to be an honored guest.

Davenport, Ia.—The annual sales congress of the Davenport and Rock Island associations will be held here May 14. The speakers include L. O. Schriver, Peoria, Ill., vice-president National association; C. O. Fischer, general agent Massachusetts Mutual, St. Louis; E. C. Smith, educational department at the head office of the Equitable Life of Iowa, and Cull Wright, Penn Mutual, district manager, Grand Island, Neb.

Charleston, W. Va.—General Agent L. D. Fowler of the Connecticut Mutual Life in Cincinnati addressed a dinner meeting on "Social Security Against Economic Security."

St. Louis—M. L. Woodward, Detroit general agent Northwestern Mutual Life, is addressing the St. Louis association Friday on "Capitalizing Sales Opportunities."

Boston—Vincent B. Coffin, superintendent of agencies Connecticut Mutual Life, spoke this week on "Building Prestige."

Cincinnati—The speaker was E. A. Crane, general agent of the Northwestern Mutual Life at Indianapolis on "Options of Settlement in Action."

Columbus, O.—R. P. Banks, Cleveland general agent Penn Mutual, spoke on "Life Insurance Selling—A Business Adventure."

Wichita, Kan.—The playlet "E Pluribus Unum," originated by the National association, was produced by the Wichita association before the study group of the Wichita P. T. A. Bert Hedges, Business Men's Assurance, was the director.

Denver—Walter Cluff, Kansas City Life, will address a breakfast meeting April 26. The association is forming plans for an advertising campaign to feature life insurance week.

Northern New Jersey—Edwin H. Norene, assistant superintendent of agencies Connecticut Mutual Life, spoke on "Problems of Prospecting." One of the greatest mediums of obtaining prospects, in the selling of life insurance, said Mr. Norene, is by reading the financial pages of the daily newspapers.

Akron, O.—J. T. Kimberly has been nominated for president, the election to be held in June. H. S. Coll is the candidate for vice-president, and J. I. Rowell and C. R. Reiter member of the board.

Utica, N. Y.—G. J. Kutcher, general agent in New York for the Northwestern Mutual, was the speaker.

Rome, Ga.—J. A. Jones, president Atlanta association, spoke on "The Future of the Life Underwriter."

Dropped from Relief

BOSTON, April 18.—The director of public welfare in Boston announced this week that 275 persons had been dropped from the welfare rolls because they had refused to reduce or drop the payment of premiums for life insurance carried on their own lives.

A QUARTER CENTURY OF PROGRESS

1910 - 1935

• In these twenty-five years, Tollica has established a reputation among field men for helpful service and friendly interest.

• This strong aggressive, young Company develops leadership.

• A few General Agency openings with attractive contracts for ambitious, energetic men. Write

The OLD LINE LIFE
Insurance Company of America
MILWAUKEE, WISCONSIN

LIFE



ACCIDENT



HEALTH

ANNOUNCING

OUR NEW

ALL - IN - ONE - POLICY

A Complete Protection Plan

Combining Life, Accident, Health and Old Age Retirement

IT PAYS

MONTHLY INCOME FOR

- DEATH from ANY Cause
- Sickness
- Accident
- Loss of Hands
- Loss of Feet
- Loss of Eyes
- Age Retirement

Accidental Death Increases Monthly Income

IT PAYS YOU IF YOU LIVE—IT PAYS IF YOU DIE

ALL - IN - ONE - POLICY

One Company—One Premium
An Economic Protection Plan

WRITE

F. L. BARNES, Agency Vice-President

The Ohio State Life Insurance Company
COLUMBUS, OHIO

NEWS OF THE FRATERALS

Oklahoma Tax Suit Decided

Judgment of \$116,000 Rendered Against Royal Neighbors of Rock Island, Illinois

Fraternal societies lost the third case in a large number of suits brought by the state of Oklahoma for collection of taxes, fees and penalties over a long period in the past. Judgment of \$116,000 against the Royal Neighbors of Rock Island, Ill., was rendered by Judge Enlow Verner of the district court of Muskogee county.

A decision previously was rendered against the Women's Benefit Association of Port Huron, Mich., for \$31,360, by the district court of Oklahoma county. Judgment for \$1,152 was rendered against the Railway Employees association in the Oklahoma county court. In all three cases the state was granted the full amount of its claims, which dated back to about 1908.

To Hear Largest Suit

The next case to be tried probably will be against the Woodmen of the World and Woodmen Circle, amounting to \$315,000. This is the largest of the 52 cases filed.

Holding that they failed to come under jurisdiction of the federal court, Federal Judge E. S. Vaught remanded to district court suits against 23 fraternal societies that had been transferred to federal court at the request of the defendants after having been filed in county courts. Governor E. W. Marland has instructed the attorney-general to assist John Wheeler of Tulsa and his assistant Creekmore Wallace, Oklahoma City, in prosecuting the cases.

Increase for Woodmen Circle

Annual Statement Shows 56 Percent Gain in Insurance Issued — Strong Position

The Supreme Forest Woodmen Circle increased its insurance issued more than 56 percent in 1934 with a total of \$11,500,769. There was an increase of 72.7 percent in the number of certificates issued. The juvenile department issued 13,038 certificates, an increase of 36 percent. Juvenile insurance of the Woodmen Circle totaled \$7,848,811 Dec. 31, with 27,662 members.

Total income in 1934 was \$3,858,791 with a \$27,500,909 balance carried over from 1933. Benefits paid in 1934 totaled \$1,747,299. Total disbursements were \$2,970,834. Ledger assets total \$28,388,866, gross assets \$28,771,587.

Has Capable Management

The annual statement shows how the Woodmen Circle, a legal reserve fraternal weathered the strenuous days of recent economic stress. It is a fine tribute to the judgment and vision of its management.

The Woodmen Circle's national headquarters are in Omaha. It has a combined membership of 135,000 with more than \$100,000,000 of insurance in force. Mrs. Dora Alexander Talley is national president and Mrs. Mamie E. Long national secretary.

Figures for 1935 show the advance in 1934 is still being maintained.

Fraternal Leaders Speak

Mrs. Delia Brinkman, Madison, Wis., was reelected president of the Supreme Forest Woodmen Circle of Wisconsin at the annual convention in Milwaukee.

Mrs. Alma Graf, Janesville, is immediate past president. Mrs. Dora Alexander Talley, Omaha, national president; Judge John C. Karel, Milwaukee, president National Fraternal Congress; Mrs. Elizabeth M. Mehan, Milwaukee, publicity director of the N. F. C., and C. L. Mather of Madison, state manager Woodmen of the World, were guest speakers at the banquet.

Canadian Societies in Drop

Premiums and Insurance in Force Decrease in 1934, Reports Indicate

OTTAWA, CAN., April 18.—Canadian fraternal benefit societies, on their business in Canada, suffered a loss in premiums from \$2,460,916 in 1933 to \$2,371,844 in 1934, and in net amount of business in force from \$118,005,740 to \$116,738,500. Their business in force outside of Canada decreased from \$102,661,988 to \$99,643,794 though premium collections were slightly higher.

Foreign fraternal (mostly American) had \$52,707,770 in force at the end of 1933 and \$50,820,840 at the end of 1934, though their 1934 premiums showed increase.

Fraternal Not Affected

Many Legislatures Adjourn Without Passing Harmful Legislation Which Was Considered

Fraternal societies so far this year have fared well in face of 42 regular legislative sessions in this country and a great number of bills that imposed premium tax and solicitor's license fee requirements on the societies. Upwards of 20 legislatures have adjourned regular sessions and two ended special sessions without a single bill, so far as can be ascertained, having been passed

which was harmful to the societies. With the failure of the Arkansas insurance code bill to pass, there was ended an effort to impose on fraternal a 2½ percent gross premium tax, requirement of a \$20,000 bond and solicitors' license fees. A provision in a Texas bill for licensing fraternal solicitors was stricken before the act was passed.

The Wyoming legislature adjourned without adopting several proposals to which the societies were opposed. In the state of Washington an occupational tax bill was amended after considerable debate so that it exempted fraternal solicitors.

Woodmen of World Writes \$21,912,300 in March Drive

The "President's Month" drive of the Woodmen of the World, in March nearly doubled the record established last year. Total of \$21,912,300 new insurance was written in the campaign carried on in 42 states. In a similar drive last year \$12,745,000 was written. Nearly a third of the business, \$6,305,550, was written on "climax day," March 30. Texas led for the fourth successive time with \$5,106,750. W. G. McClain of Henderson is Texas manager. Alabama representatives wrote \$1,878,800, Georgia \$1,761,250, and North Carolina \$1,571,250.

The annual report shows total admitted assets \$117,929,000, compared with \$111,580,000 at the end of 1933. Fund balances were: Mortuary \$2,509,000, reserve \$108,097,000, hospital \$2,555,000, expense \$4,767,000, representing a doubling of the mortuary fund

Send 9 cents in stamps for sample copy of

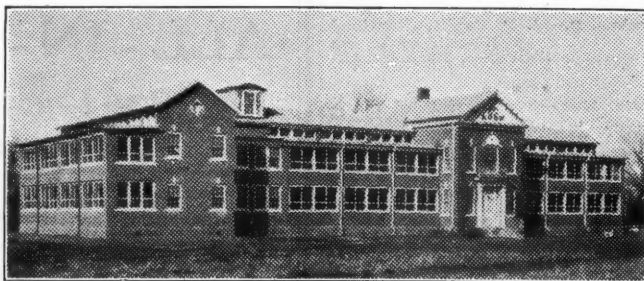
The Accident & Health Review

The only exclusive accident and health paper published.

Address your inquiry to A-1946 Insurance Exchange, Chicago

SOUND INSURANCE

PRACTICAL FRATERNITY



A. O. U. W. of Kansas Sanatorium for Tuberculosis, Norton, Kansas

AN increase of 20.8% in new business written over 1933 and a net gain of 8.4% in insurance in force was the vote of confidence given the A.O.U.W. of Kansas in 1934.

Throughout the business depression the A.O.U.W. of Kansas has not sold a dollar's worth of securities or borrowed a dime of money from any source to enable it to pay death losses or meet policy obligations.

A. O. U. W. OF KANSAS

A Legal Reserve Fraternal Life Insurance Society

Home Office: NEWTON, KANSAS

E. H. STEWART
Grand Recorder

In Business Since 1877

EDGAR BENNETT
Grand Master Workman

balance and over \$5,000,000 increase in reserve funds. Reserve liability was \$92,802,000, and contingency reserve \$23,339,000.

There were in force Dec. 31, 355,838 certificates, for \$411,112,000 insurance; 81,052 certificates were written, exchanged, reviewed or increased for \$78,140,000 total, and 68,730 certificates for \$69,469,000 total were terminated, decreased or transferred. There were 8,042 death claims paid in the year for \$7,813,000 total, and 574 disability claims for \$248,000 total.

Finds Certificate Lapsed

The Missouri supreme court has overruled the lower court, which had held that a policy in the Modern Woodmen had not lapsed because the insured was induced by a special service representative of the Modern Woodmen, by false representations, to fail to pay his assessments.

Biggs failed to pay the assessment due July 30, 1931, or any assessments thereafter. The plaintiff sought to rely upon estoppel because the special service representative of the Modern Woodmen, by false representations that the certificate was worthless and could not be continued in force by the payment of any amount, induced the assured to fail to

pay his assessments. The higher court held there is no estoppel in this case. Even if the assured was entitled to rely upon these assessments, his own evidence shows that he did not do so. It shows that he did not believe such representations and did not rely upon them. In view of the relationship of the parties, the sources of information available to Biggs, the time he had for investigation and his expressed disbelief of the agent's statements, the facts did not warrant the submission of the question of estoppel to the jury.

Rules Societies Are Exempt

Fraternal societies are exempt from all provisions of the North Dakota insurance laws, the state supreme court held in reversing decisions of the lower court on appeal of the Brotherhood of Railroad Trainmen.

Former Atlanta Manager Dies

A. J. Wright, who was Atlanta manager of the Carolina Life until his health failed last fall, died in Augusta and was buried in Mathews, Ga. He had been connected with the company since 1915, becoming manager at Anderson, S. C., then at Charleston, S. C., then Savannah and finally Atlanta.

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

Annuity Rates Are Revised

Continental Assurance Discontinues Old Forms April 15, Brings Out New Series of Contracts

The Continental Assurance revised its rates for several types of annuities as of April 15, in line with practice of many companies due to lower yield on investments. The forms affected are annual and single premium elective annuities, single premium life and cash refund forms. All other annuity forms have been discontinued.

The first two columns in the table below show income at indicated retirement age purchasable with \$100 annual premium; the third column shows income starting at age 65 per \$1,000 of single premium, and the last two columns show the single premium purchase price of \$100 annual income on life and cash refund forms. The elective annuities may also be secured on the cash refund form, the figures for this not being given here. The rates are:

	\$100 Ann. Prem.	M. Sing. Prem.	Single Prem. \$100 Ann. Income.		
Age at 60	at 65	at 65	Life	Cash Ref.	
20	\$56.87	\$82.93	\$29.87	\$2,303.20	\$2,648.70
21	54.28	79.35	29.00	2,285.70	2,629.00
22	51.77	75.88	28.16	2,267.80	2,608.80
23	49.36	72.55	27.34	2,249.30	2,588.20
24	47.02	69.31	26.54	2,230.30	2,567.30
25	44.76	66.19	25.77	2,210.70	2,545.90
26	42.57	63.18	25.02	2,190.70	2,524.10
27	40.47	60.26	24.29	2,170.00	2,501.80
28	38.44	57.45	23.58	2,148.80	2,479.30
29	36.47	54.73	22.89	2,127.10	2,456.30
30	34.57	52.10	22.23	2,104.80	2,432.80
31	32.73	49.55	21.58	2,082.00	2,409.00
32	30.95	47.10	20.95	2,058.60	2,384.70
33	29.24	44.74	20.34	2,034.60	2,360.20
34	27.58	42.45	19.75	2,010.10	2,335.20
35	25.98	40.23	19.18	1,985.00	2,309.70
36	24.43	38.10	18.61	1,959.30	2,283.90
37	22.94	36.03	18.07	1,933.10	2,257.90
38	21.50	34.03	17.55	1,906.30	2,231.30
39	20.10	32.11	17.03	1,878.90	2,204.40
40	18.75	30.24	16.54	1,851.00	2,177.20
41	17.45	28.44	16.06	1,822.60	2,149.70
42	16.19	26.70	15.59	1,793.60	2,121.80
43	14.98	25.02	15.14	1,764.20	2,093.50
44	13.80	23.39	14.69	1,734.20	2,065.10
45	12.66	21.83	14.27	1,703.70	2,036.30
46	11.57	20.31	13.85	1,672.80	2,007.00
47	10.51	18.85	13.45	1,641.40	1,977.80
48	9.49	17.44	13.05	1,609.60	1,948.20
49	8.50	16.07	12.67	1,577.40	1,918.20
50	7.55	14.74	12.31	1,544.80	1,888.10
51	6.65	13.46	11.94	1,511.80	1,857.90
52	5.77	12.24	11.60	1,478.50	1,827.40
53	4.93	11.05	11.26	1,444.80	1,796.50
54	4.12	9.89	10.93	1,411.00	1,765.90
55	3.33	8.78	10.62	1,376.80	1,734.90
56	2.57	7.74	10.30	1,342.50	1,703.50
57	1.84	6.72	10.00	1,308.00	1,672.50

Additional Ages—Single Premium Life and Cash Refund

Age	Life	Cash Ref.	Age	Life	Cash Ref.
66	\$996.40	\$1,390.10	76	\$674.70	\$1,090.00
67	962.40	1,359.50	77	645.40	1,062.60
68	928.70	1,328.50	78	616.80	1,034.80
69	895.40	1,297.20	79	588.80	1,006.60
70	862.40	1,267.40	80	561.60	980.60
71	829.80	1,237.20	81	535.10	955.20
72	797.80	1,206.50	82	509.30	929.40
73	766.10	1,177.30	83	484.30	903.20
74	735.10	1,148.30	84	460.00	880.30
75	704.60	1,118.90	85	436.50	857.80

Great-West Liberalizes Family Income Provision

The Great-West Life of Winnipeg has liberalized its family protection rider. A cleanup fund may now be provided for in the application. Where the family protection rider is attached to the whole policy, the company will pay cost of examination where premium for the rider is \$25 or more. The Great West will write family protection rider on pension policies, paying as cleanup fund the amount if any by which the cash surrender value exceeds initial amount of insurance, in which event monthly income will not be disturbed and face of policy will be paid at end of family protection period.

Pacific Mutual to Increase Life Rates Effective May 1

The Pacific Mutual Life will increase rates on new life insurance purchased after May 1. Details have not been announced, and probably will not be until a few days before the end of April.

Talks on Business Cover

BOSTON, April 18.—J. H. Atwood, New England Mutual Life expert on business insurance, will talk to the Boston Life Insurance Trust Council April 23 on "Conservation of the Business Equities."

A 56½% GAIN IN 1934

DURING 1934 the Woodmen Circle wrote \$11,500,769 worth of insurance, a gain of 56½ per cent over the previous year. 15,770 certificates were issued, an increase of 72.7 per cent over 1933. It pays to be associated with a growing company.

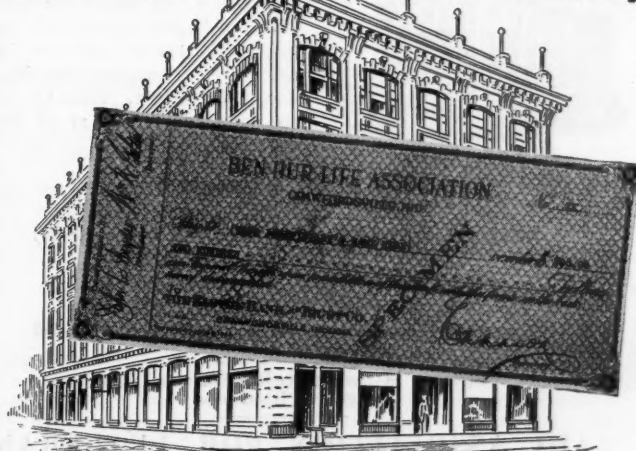
This year we are celebrating our Fortieth Anniversary as a legal reserve fraternal benefit insurance society.

SUPREME FOREST WOODMEN CIRCLE

"Managed by Women for Women and Children"
National Headquarters—Omaha, Nebraska

Insurance in force—more than • Assets January 1, 1935—
\$100,000,000.00 • \$28,388,866.00
Membership—135,000

A Part of Every Ben Hur Policy



Fourteen years ago the Ben Hur Life Association, in line with its consistent policy of prompt settlement of claims, patented the above type of check as an integral part of every Ben Hur adult contract. It is for one-tenth of the face amount of the policy and, when necessary, can be cashed at local banks IMMEDIATELY after the death of the policy holder. Furthermore, red tape has been eliminated and the sun never sets on an unpaid just claim at the Home Office.

BEN HUR LIFE ASSOCIATION

Founded: 1894

Home Office: Crawfordsville, Indiana

John C. Snyder,
President

Edwin M. Mason,
Secretary

AS SEEN FROM NEW YORK

By R. B. MITCHELL

FRASER AGENCY IN MOVE

The Fraser agency of the Connecticut Mutual Life in New York City has moved from the sixth floor of the Singer building, 149 Broadway, to more commodious quarters on the ninth floor.

PEDRICK LEASES NEW QUARTERS

William J. Pedrick & Co. has leased separate quarters on the 25th floor of the Empire State building for its life, group and group accident departments. The Pedrick company was recently appointed general agents for the metropolitan district for the Equitable Life of New York. J. T. Balfie, vice-president and general manager of the Pedrick company, will be in charge.

ENGELSMAN ADVANCES TWO

Eric J. Wilson has been appointed production manager in the R. G. Engelsman agency of the Penn Mutual in New York. J. H. Alexander has been named agency director. Mr. Wilson has been connected with the agency about five years and last year wrote more than \$500,000 of business. Mr. Alexander started in 1919 with the Travelers and in 1926 joined the Engelsman agency as cashier.

START DRIVE FOR PARKINSON

The life insurance agent has a unique advantage over most other lines of business in that he need have no fear of his product's saleability suffering through obsolescence or style changes. Vice-president F. L. Jones of the Equitable Life of New York told the company's New York agents at a mass meeting which inaugurated a 30-business-day campaign in honor of President T. I. Parkinson. Gage E. Tarbell, senior director and formerly agency

vice-president, gave an inspirational talk. The campaign, sponsored by the New York City board of managers of the Equitable, will conclude with a dinner honoring Mr. Parkinson, attended by all who qualify. Qualification will be on number of applications, minimum being nine, as there are nine letters in Mr. Parkinson's last name. Attractive posters were designed by the advertising department for the campaign.

EUBANK OFFICE PROSPERS

G. A. Eubank, who Jan. 1 became manager of the Prudential's new Downtown agency at 40 Wall street, reports paid production for the year to April 10 equaled paid-for ordinary business in the first half of 1934 done by the same office in the New York City area when it was operated under Mr. Eubank's management by Johnson & Higgins as a general agency of the Prudential. On the same basis of comparison, paid business for the first 10 days of April equaled April, 1934. He states business slackened before the federal income tax due date, March 15, but appears to be picking up again, policy loan repayments are better and requests for loans are decreasing.

SECTION 55-C STILL UNSIGNED

The proposed section 55-C of the New York insurance law, which passed both houses of the legislature, has not yet been signed by Governor Lehman. Life men here are generally hopeful it will receive the governor's official approval.

MANAGER CUNNEEN IN CITY

T. F. Cunneen, manager insurance department, U. S. Chamber of Commerce, was in New York City this week to attend the presentation of awards in the

Inter-Chamber Health Conservation Contest, sponsored by the national chamber and American Public Health Association. The movement receives financial backing from a number of leading life companies. Not only does the contest stimulate striving for better health conditions in competing cities, but it serves as a model for other communities.

ALLEN BEFORE RIEHLE AGENCY

The Riehle agency of the Equitable Life of New York in New York City has arranged with A. Rushton Allen of Philadelphia to give a series of four lectures for the agency organization, April 22 and on the following three Mondays. Mr. Allen will cover estate analyses, wills, trusts, taxes, property aspect of life insurance, and business liquidation. He gave a similar series in March, 1932, at the agency.

BAWDEN'S MOTHER DIES

Mrs. W. H. Bawden, mother of W. C. Bawden, supervisor of the C. D. Connell agency of the Provident Mutual Life in New York City and former executive manager of the New York City Life Underwriters Association, died April 14. Mrs. Bawden was prominent in Baptist activities and for 10 years was secretary-director of the Women's Missionary Society of New Jersey, a Baptist organization.

McNULTY AGENCY MOVES

The J. A. McNulty agency of the Prudential in New York City April 22 will move from 1440 Broadway to the Paramount building, Broadway and 43rd street. Mr. McNulty, a graduate of West Point, entered insurance in 1922 as a Prudential agent. In May, 1929, he was appointed manager of a new agency in the Time Square district, which is now one of the company's largest branches, with more than \$50,000,000 in force. Associated with Mr. McNulty as assistant managers are G. W. Boyling, H. J. Cronin, E. B. Eichengreen, C. A. Finley and G. M. McCampbell.

SABIN BROKERAGE SUPERVISOR

C. W. Sabin has been made brokerage supervisor of the T. G. Murrell agency of the Connecticut General Life in New York City. He was a successful personal producer in the agency and a trainer of new men. He will have as assistant Miss Frances Reynolds, who is experienced in agency, underwriting and personal production. The agency reports new paid premiums 400 percent of the same period last year. The agency stands fourth in the company.

Palmetto State Life Results

The Palmetto State Life of Columbia, S. C., the industrial accident and health running mate of the Carolina Life, which has voted to increase the capital to \$200,000, makes the following annual statement: Assets \$133,654; capital \$20,400; surplus \$2,101; weekly industrial A. & H. premiums with life benefit \$186,441, claims \$34,780; weekly industrial premiums \$202,676, claims \$19,824; all other accident and health claims \$90,989; total premiums \$389,118; total claims \$145,593. Weekly industrial life in force \$6,340,192; weekly industrial life written in 1934, \$6,595,494; weekly industrial life in force Dec. 1, 1933, \$4,171,254.

The Palmetto State Life's capital has been \$50,000. The directors' recommendation for the increase to \$200,000 is expected to receive approval of stockholders May 1. The company is now operating only in South Carolina and the increase in capital will allow for expansion.

Life & Casualty Changes

The Life & Casualty of Tennessee has added its Gadsden district to the Rome, Ga., district, and Superintendent W. B. Morgan will have charge of the Gadsden staff. J. A. O'Bryant has been promoted from agent to superintendent in the Rome district.

"Jacksonville's Leading Hotel"



THE SEMINOLE

JACKSONVILLE, FLORIDA

CHAS. B. GRINER, Manager

A human, home-like institution where you will find your individual comfort and entertainment a matter of great importance.

A steel fireproof building located in the heart of the city.

Every Room with Combination Tub and Shower Bath, Radio, Electric Ceiling Fan, Slat Door for Summer Ventilation, Comfortable Beds with Mattresses of Inner Spring Construction and Individual Reading Lamps.

ADDS ANOTHER RECORD YEAR



Home Office Building

1934 was a record year for the Aid Association. It closed the year 1934 with the largest membership and the largest amount of insurance in force and in the strongest financial condition in its history. Here are some of the facts and figures as of December 31, 1934:

Total Assets, \$16,678,098.25

A gain of over \$1,100,000 for the year 1934

Insurance in Force, \$144,757,747 (Both Departments)

A gain of over \$13,000,000 in twelve months

Membership, 123,805 (Both Departments)

A net gain of 12,015 members since January 1, 1934

New paid-for insurance written in 1934, \$24,123,300

An increase of 22 percent over 1933

Believes in the future of Fraternal Legal Reserve Insurance

AID ASSOCIATION FOR LUTHERANS

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SALES IDEAS AND SUGGESTIONS

Leaders Give Practical Advice on Selling Methods of Today

SHOULD SELL INCOMES

The insurance salesman would give way to the salesman of "incomes," if A. E. N. Gray, secretary Prudential, had his way. At a meeting of the company's Iowa ordinary agents in Des Moines, Mr. Gray said insurance was originally designed to replace the income of persons after death. "Dumping \$10,000 in the lap of a widow is not replacing her late husband's income," he said, "but only increases the income of some smart stock salesman. In other words, the insurance agent is not going out now to send a man for measurement for his coffin, but to measure his income, either after death or after a period of years."

MUST BE TECHNICIAN

In order to be successful in life insurance selling, the underwriter must be an accomplished technician as well as a salesman. L. O. Schriver, general agent Aetna Life, Peoria, Ill., told the Detroit Qualified Life Underwriters, talking on "1935 Streamline Models." "Every underwriter should learn the groundwork of his profession thoroughly if he aspires to be a success. You must know what life insurance really is and does. You must realize that life insurance is the greatest medium of thrift ever invented by the mind of man; that 87 percent of the average probated estates consists of life insurance. My study of the outstandingly successful underwriters indicates that these men all have certain characteristics in common. The successful underwriter has an adequate line of insurance himself, to begin with; he has found a means of keeping ahead of him an adequate prospect list; he has perfected a plan of approach and presentation that suits his particular ability; he is not afraid of a little showmanship and originality in his selling; he knows men and human relations; he realizes that every normal man wishes to protect those he loves and wishes to be remembered as a good husband and father; he knows how to put in an honest day's work; he has a true fighting spirit that will not allow him to be beaten and he strives for regular production.

"My formula for success in life insurance is: Inspiration plus information plus perspiration equals consummation."

NEED FOR PROPER COUNSEL

There is a great need for proper counsel in the purchase of life insurance and a definite program should be adopted based upon the needs of the individual, said Ray Johnson, manager life department of Wirt Wilson & Co., Minneapolis, in a talk to the Kiwanis Club at New Richmond, Wis. Life insurance is a medium through which a man may purchase money for future delivery to his family in event of premature death and a retirement fund for himself in later years. In programming a man's insurance, special cleanup, readjustment, mortgage retirement, emergency and educational funds must be considered, as well as the family income.

PUBLIC IS RECEPTIVE

Frank H. Davis, vice-president of the Penn Mutual Life, discussed "Present Day Opportunities" before the Miami Life Underwriters Association. The public is now retirement income-minded, said Mr. Davis. A change is going on all the time in the type of insurance demanded by the public and the companies are adjusting contracts to meet these conditions. People are more than

ever interested in security and the performance of life insurance in the past proves its dependability and proves that when it is needed it is paid at par. Life insurance extends a man's earning power and his love for his family beyond the grave. It is practical immortality.

UNDERHANDED COMPETITORS

"There is no denying that competition is very keen in the life insurance business," says William H. Southwell, United Mutual Life, Philadelphia. "It is uncanny the way in which some of our competitors ferret out our important prospects and the underhanded tactics some of them use—but competition has been called the 'life of trade' and the smart, hard-working and energetic salesman gets a thrill matching wits with a straight-shooting, four-square competitor."

"The underhanded competitors are the hardest with which to cope—those who will not come out in the open and fight. At times every salesman has this kind of competitors with whom he must cross swords. There are six of these types and below you will find a list of them. Look them over and see if you can recognize any of them:

"**DISLOYALTY**—Here is a competitor that deliberately destroys our faith in the company we represent, the insurance business, the institution of insurance in general, and the tools with which we have to work. Unless we get rid of this competitor at once, we are 'licked' from the start.

"**IGNORANCE**—This is a dumb competitor, but it stops you from getting the application. It forces you to say, 'I do not know,' when you should be driving home a closing point.

"**DISCOURAGEMENT**—This thieving competitor steals a salesman's ag-

gressiveness and enthusiasm just when one or two more calls would mean an application.

"**INDIFFERENCE**—This is a mean and contemptible competitor. When he is against the salesman, fighting for an application stops. He has a habit of whispering in your ear, 'What's the use? It can't be done. It's a rotten business and everybody has insurance.' You have got to 'lick' this competitor to win.

"**DISRESPECT**—Here is a sarcastic competitor who forces salesmen to offend the prospect whom they most want to please. When this competitor gets control of you, it is time to get a good grip on yourself.

"**INDECISION**—Here is a competitor who takes particular delight in preventing the salesman from making that important call and takes further delight in causing the salesman to 'stall' when action is needed most.

"Check upon these every day competitors and learn just how to handle them when you meet them in competition."

BUSINESS INSURANCE QUOTES

An institution is the lengthened shadow of one man.—Ralph Waldo Emerson.

You can take everything, our plans, our mines, our railroads, every physical thing that we possess, but leave us our organization of business brains and in two or three years we will be in full swing again.—Andrew Carnegie.

It is ten times easier to assemble a million dollars of capital than to find the right man to handle the capital assembled.—James J. Hill.

When asked what he would do if a fire should destroy his great steel properties, Charles M. Schwab of the Bethlehem Steel Corporation answered: "I would not even figure these as a loss, as they could all be replaced in time; but if some catastrophe should destroy in one fell stroke the entire personnel of our organization, I would then consider myself a ruined man."

Every industrial man should read *The Industrial Salesman*, published monthly by The National Underwriter, 420 E. Fourth Street, Cincinnati. Subscriptions \$1 a year.

Specialization Has Disadvantages

The pros and cons of specializing in certain types of life contracts or classes of business were discussed at a recent meeting of the Life Agency Supervisors Association of Chicago, the consensus being that specialization in any type of contract or class of prospects over an extended period is not desirable. There was particular reference to annuity and other investment plans. The general feeling was that life insurance men should sell life insurance because this is the back-bone of their business.

The great increase in annuity sales in the last year or so led many agents to believe it might be profitable for them to concentrate in this field for a time. It has been found generally, the supervisors said, that in order for an agent to specialize in annuities he must have a large number of acquaintances with money; or the agent must be an older man who is well financed and has many contacts with wealthy, older people; or he must have had legal training or have contacts with lawyers, or many contacts with persons having to do with settlement of estates.

Specialization Often Harmful

It is much easier and more practical, and there is greater possibility of success for the agent, it was felt, in specializing along the line of retirement annuities, insurance for taxation purposes or business insurance, institutional financing, etc. However, in most instances it has been noted by the super-

visors, a large proportion of the so-called insurance specialists are 'strapped in' these times.

The supervisors, however, felt it was profitable to specialize for a limited period of a week or a month on one policy form, thereby learning the need for it, arguments, effective sales talks, provisions of the contract, benefits, etc. In this way the agent becomes an expert in that one form. After a time he may take up another type of contract on which to concentrate. The selection of the contract which he will push depends upon several factors, such as economic and business conditions of the time, the agent's own inclination, ability, clientele, social position, etc.

An important factor, the supervisors believe, is the necessity for a spread of business. It is desirable for an agent to have his sales well distributed among various types of contracts and policyholders, thus avoiding undue loss of business due to special economic difficulties of class of individuals, businesses, etc.

We are not sent into this world to do anything into which we can not put our hearts. We have certain work to do for our bread and that is to be done strenuously; other work to do for our delight and that is to be done heartily; neither is to be done by halves or shifts, but with a will; and what is not worth this effort is not to be done at all.—John Ruskin.

SPARKS

from the firing line

By JOHN W. AGENT

What one factor is most important to a man's success as a life insurance salesman? Is it good appearance? Standardized sales talks? Skill in prospecting? Good closing technique? Persistence? Enthusiasm?

No, all these things are important but the boss says that the chief factor is—a large number of calls. A man may look like Charlie Schwab, he may have Bryan's silver tongue, he may be a stem-winder at getting new names, closing, keeping after hard cases. He may have all the enthusiasm of Ginger Rogers and still fall down—if he sees too few people.

Keep the good old law of averages working for you instead of against you. Ten calls a day will do it.

It was Saturday afternoon and while I was talking with a prospect another chap came up and began to ask questions. I haven't sold that prospect yet, but I did sell the second man. And when I asked about his two brothers he said, "Neither one of them has insurance. They both need it. Go over and sell them." I did. That's making three policies grow where only a prospect was there at the beginning—and said prospect is still there.

Have you ever noticed that business comes in spurts? This week may be barren and you about make up your mind that you should sell shoes or neckwear. Then next week three or four drop and you wonder why you ever found it hard to sell insurance. There's always an application just around the corner—if you can find the right corner.

With the curtain just raised on the 1935 baseball season, it's time to consider any "ins" you may have to baseball players. They are particularly good annuity prospects as they know that their years on the diamond are limited and that they had better salt away some of their income while they can. Men in the baseball line who have publicly announced their satisfaction with their annuity programs include: Babe Ruth and Rabbit Maranville, Boston Braves; Mickey Cochrane, manager of the Detroit Tigers; Eddie Goosetree, veteran scout of the Tigers; Eddie Auker, Tiger pitcher; Hal Schumacker and Carl Hubbell, New York Giants; Red Lucas, Pittsburgh Pirates; Heine Manush and Buddy Meyer, Washington Senators; Arthur Fletcher, coach of the New York Yankees.

This advertising agency executive had had a policy on an inspection receipt for a few days and had indicated to me over the phone that he planned to turn it down. While waiting in the outer office, I picked up a current magazine and turned to my company's ad. It was impressive and contained a point which seemed to fit his case perfectly. So I took the magazine in with me and made it the springboard for my sales talk.

This was particularly effective for this man because, though I didn't put it in words, I know he was impressed by this evidence that my company was big enough and efficient enough to advertise regularly in a well known national publication. Sure he bought the policy. Otherwise I wouldn't be writing this.

Information Given on U. S. Tax Against Life Insurance

(CONTINUED FROM PAGE 2)

that 'the provision in the policy that in case of death of beneficiary prior to that of insured, the insurance would be payable to the executors, administrators, or assigns of the insured, is not sufficient to prevent the vesting in the beneficiary from being complete. No act of the insured could prevent the beneficiary from receiving the full \$10,000 of insurance on her death. Her interest could be defeated only by her death prior to that of the insured.'

Observations Made as to Trend of Decisions

"Aside from the decisions which have been rendered, although the similarity has not yet been commented upon by any court, it would seem that the possible reversionary interest which the in-

sured in such instances has in the proceeds of the policy is not distinguishable from cases in which the decedent had created a trust for the benefit of certain persons, and then provided that in case the primary beneficiary did not survive the decedent, the corpus of the trust was to revert to his estate. Such trusts have consistently been held nontaxable by the courts where the beneficiary actually survived the creator of the trust.

Question Not Settled Until Reaches Higher Court

"Cases which have declared such trusts to be nontaxable include: *Helvering v. Duke*, (1933) 290 U. S. 291, affirming 62 F. (2d) 1057; *Wallace v. Commissioner*, (1934) 71 F. (2d) 1002; *Commissioner v. Dunham*, (1934) 73 F. (2d) 732. Nevertheless, the commissioner, as indicated by Art. 11 and 17 of Reg. 80 (estate tax), still contends that trusts with a possible reversionary interest in the grantor are taxable; possibly the reason for this variance arises

from the fact that *Helvering v. Duke*, supra, was affirmed by an equally divided court.

"Manifestly, in view of the conflicting opinions and the resemblance in the nature of the transfer to that of a reversionary trust, the question of the taxability of the proceeds of life insurance, where the insured has irrevocably named a beneficiary and retained no economic interest in the insurance other than provision for payment of the proceeds to his estate or alternate beneficiaries in the event that the primary beneficiaries should predecease the insured, cannot be considered as settled until the issue is adjudicated before a higher court."

Name Temporary Receiver for American Life, Denver

(CONTINUED FROM PAGE 1)

from time to time, and since the receivership was asked for under the so-called *Cochrane* insolvency law, which was passed by the legislature two years ago but was repealed by the legislature just adjourned, a new aspect has been thrown on the situation. The continuances may have been made because the *Cochrane* law was considered ineffective.

The Pacific States was brought before the public again last week when it was announced that the former national bank examiner and two officers of a mortgage and discount corporation have been indicted by the county grand jury on charges of conspiracy to embezzle. The indictments allege they conspired to obtain control of the mortgage company by exchanging stock of the Pacific States Life and then transferring assets to themselves.

NEBRASKA LICENSE CANCELED

LINCOLN, NEB., April 18.—Insurance Director Moose has suspended the license of the American Life of Denver until such time as it has been reorganized and rehabilitated. Mr. Moose

recently took part in a conference with the commissioners of Colorado and Wyoming, at which it was agreed such action should be taken in all states.

Paid-Up Option Is Growing in Favor

(CONTINUED FROM PAGE 1)

The main argument for paid up insurance is that the insured's beneficiaries are certain of some protection when he dies, so long as there is any equity at all in the policy. There is also the point that paid up insurance keeps the policyholder in contact with the insurance company for a longer period than does extended term. If the insured is regarded as a good future prospect, this tends to give the company a better foothold than it otherwise would have. If this sales angle is discounted, however, it is usually considered that the trouble of keeping account of infinitesimal amounts of paid up insurance and checking up on the wanderings of lapsed policyholders until they die is not worth while.

The minuteness of the amounts of paid up insurance is aggravated in many cases by loans which almost, but not quite, use up all the equity in the policy. In the case of extended term, this means that the term period is that much shorter, but with paid up insurance the protection is so slight as to be not worth considering, yet it must be followed up.

Alliance Life in A. L. C.

The Alliance Life of Peoria, Ill., has been elected a member of the American Life Convention of Chicago. The company formerly was the Life & Casualty of Chicago, which reinsured the business of the Peoria Life, changing title in the deal and moving headquarters to Peoria. M. A. Kern is president and L. D. Kern, secretary-treasurer.

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